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| | | FOR OFF USE | | | | | |
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2005
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2005)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|---------------------------------------|---|-------------------------------------|--------------------------------|--------------------------------|--------------------------------------|---------------------------------|---------------------------------|--------------------------------------|--------------------------------------|--|--|--|--|---|--|--|--------------------------------|--|--|--------------------------------------|--|---|---|----------------|--------------|--------------------------|----------------------------|---------------|---|--------------|------------------------------|--|--|--|--|--|---|---|--|
| <p>I. IDPH Facility ID Number: <u>0039842</u></p> <p>Facility Name: <u>Claremont Rehab & Living Center</u></p> <p>Address: <u>150 North Weiland Road</u> <u>Buffalo Grove</u> <u>60089</u> Number City Zip Code</p> <p>County: <u>Lake</u></p> <p>Telephone Number: <u>(847) 465-0200</u> Fax # <u>(847) 465-0400</u></p> <p>IDPA ID Number: <u>202145203</u></p> <p>Date of Initial License for Current Owners: <u>3/1/2005</u></p> <p>Type of Ownership:</p> <table> <tr> <td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input checked="" type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code _____</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> "Sub-S" Corp.</td> <td></td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> Limited Liability Co.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>In the event there are further questions about this report, please contact Name: <u>Christine Hanovei</u> Telephone Number: <u>(312) 634-4581</u> Please send copies of desk review and audit adjustments to address on this page</p> | <input type="checkbox"/> VOLUNTARY, NON-PROFIT | <input checked="" type="checkbox"/> PROPRIETARY | <input type="checkbox"/> GOVERNMENTAL | <input type="checkbox"/> Charitable Corp. | <input type="checkbox"/> Individual | <input type="checkbox"/> State | <input type="checkbox"/> Trust | <input type="checkbox"/> Partnership | <input type="checkbox"/> County | IRS Exemption Code _____ | <input type="checkbox"/> Corporation | <input type="checkbox"/> Other _____ | | <input type="checkbox"/> "Sub-S" Corp. | | | <input checked="" type="checkbox"/> Limited Liability Co. | | | <input type="checkbox"/> Trust | | | <input type="checkbox"/> Other _____ | | <p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>3/1/2005</u> to <u>12/31/2005</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table> <tr> <td rowspan="2">Officer or Administrator of Provider</td> <td>(Signed) _____</td> </tr> <tr> <td>(Date) _____</td> </tr> <tr> <td rowspan="5">Paid Preparer</td> <td>(Type or Print Name) _____</td> </tr> <tr> <td>(Title) _____</td> </tr> <tr> <td>(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u></td> </tr> <tr> <td>(Date) _____</td> </tr> <tr> <td>(Print Name and Title) _____</td> </tr> <tr> <td></td> <td>(Firm Name) <u>Altschuler, Melvoin and Glasser LLI</u></td> </tr> <tr> <td></td> <td>& Address) <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u></td> </tr> <tr> <td></td> <td>(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u></td> </tr> <tr> <td colspan="2"> MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630 </td> </tr> </table> | Officer or Administrator of Provider | (Signed) _____ | (Date) _____ | Paid Preparer | (Type or Print Name) _____ | (Title) _____ | (Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> | (Date) _____ | (Print Name and Title) _____ | | (Firm Name) <u>Altschuler, Melvoin and Glasser LLI</u> | | & Address) <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> | | (Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u> | MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630 | |
| <input type="checkbox"/> VOLUNTARY, NON-PROFIT | <input checked="" type="checkbox"/> PROPRIETARY | <input type="checkbox"/> GOVERNMENTAL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> Charitable Corp. | <input type="checkbox"/> Individual | <input type="checkbox"/> State | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Partnership | <input type="checkbox"/> County | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| IRS Exemption Code _____ | <input type="checkbox"/> Corporation | <input type="checkbox"/> Other _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <input type="checkbox"/> "Sub-S" Corp. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <input checked="" type="checkbox"/> Limited Liability Co. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <input type="checkbox"/> Trust | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <input type="checkbox"/> Other _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officer or Administrator of Provider | (Signed) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Date) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paid Preparer | (Type or Print Name) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Title) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Date) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Print Name and Title) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Firm Name) <u>Altschuler, Melvoin and Glasser LLI</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | & Address) <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 2

Facility Name & ID Number Claremont Rehab & Living Center# 0039842 Report Period Beginning: 3/1/2005 Ending: 12/31/2005

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed bedsN/A

| | 1 | 2 | 3 | 4 | |
|---|--|-----------------------------|---------------------------------|--|---|
| | Beds at Beginning of Report Period | Licensure Level of Care | Beds at End of Report Period | Licensed Bed Days During Report Period | |
| 1 | <u>200</u> | Skilled (SNF) | <u>200</u> | <u>61,200</u> | 1 |
| 2 | | Skilled Pediatric (SNF/PED) | | | 2 |
| 3 | | Intermediate (ICF) | | | 3 |
| 4 | | Intermediate/DD | | | 4 |
| 5 | | Sheltered Care (SC) | | | 5 |
| 6 | | ICF/DD 16 or Less | | | 6 |
| 7 | <u>200</u> | TOTALS | <u>200</u> | <u>61,200</u> | 7 |

B. Census-For the entire report period.

| | 1 | 2 | 3 | 4 | 5 | |
|----|---------------|---|---------------|---------------|---------------|----|
| | Level of Care | Patient Days by Level of Care and Primary Source of Payment | | | | |
| | | Medicaid Recipient | Private Pay | Other | Total | |
| 8 | SNF | <u>281</u> | | <u>12,725</u> | <u>13,006</u> | 8 |
| 9 | SNF/PED | | | | | 9 |
| 10 | ICF | <u>25,171</u> | <u>10,151</u> | <u>3,226</u> | <u>38,548</u> | 10 |
| 11 | ICF/DD | | | | | 11 |
| 12 | SC | | | | | 12 |
| 13 | DD 16 OR LESS | | | | | 13 |
| 14 | TOTALS | <u>25,452</u> | <u>10,151</u> | <u>15,951</u> | <u>51,554</u> | 14 |

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 84.24%

D. How many bed-hold days during this year were paid by the Department?

0 (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)N/A

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location

Date started 03/01/2005

J. Was the facility purchased or leased after January 1, 1978?

YES ☒Date 03/01/2005NO ☐

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 200and days of care provided 12,725Medicare Intermediary AdminaStar

IV. ACCOUNTING BASIS

ACCRAU ☒ MODIFIED
CASH* ☐ CASH* ☐

Is your fiscal year identical to your tax year YES ☒ NO ☐Tax Year: 12/31/2005 Fiscal Year: 12/31/2005

* All facilities other than governmental must report on the accrual basis

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Claremont Rehab & Living Center # 0039842 Report Period Beginning: 3/1/2005 Ending: 12/31/2005

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

| | Operating Expenses | Costs Per General Ledger | | | | Reclass- ification 5 | Reclassified Total 6 | Adjust- ments 7** | Adjusted Total 8 | FOR OHF USE ONLY | | |
|-----|--|--------------------------|---------------|------------|------------|----------------------------|----------------------------|-------------------------|------------------------|------------------|----|-----|
| | | Salary/Wage 1 | Supplies 2 | Other 3 | Total 4 | | | | | 9 | 10 | |
| | A. General Services | | | | | | | | | | | |
| 1 | Dietary | 309,484 | 35,829 | 11,733 | 357,046 | | 357,046 | | 357,046 | | | 1 |
| 2 | Food Purchase | | 315,155 | | 315,155 | | 315,155 | (14,516) | 300,639 | | | 2 |
| 3 | Housekeeping | 204,128 | 35,416 | | 239,544 | | 239,544 | | 239,544 | | | 3 |
| 4 | Laundry | 33,228 | 21,757 | 3,613 | 58,598 | | 58,598 | | 58,598 | | | 4 |
| 5 | Heat and Other Utilities | | | 204,300 | 204,300 | | 204,300 | 2,206 | 206,506 | | | 5 |
| 6 | Maintenance | 70,922 | 29,759 | 117,116 | 217,797 | | 217,797 | 3,051 | 220,848 | | | 6 |
| 7 | Other (specify):* | | | | | | | | | | | 7 |
| 8 | TOTAL General Services | 617,762 | 437,916 | 336,762 | 1,392,440 | | 1,392,440 | (9,259) | 1,383,181 | | | 8 |
| | B. Health Care and Programs | | | | | | | | | | | |
| 9 | Medical Director | | | 40,000 | 40,000 | | 40,000 | | 40,000 | | | 9 |
| 10 | Nursing and Medical Records | 3,340,884 | 156,565 | 31,866 | 3,529,315 | | 3,529,315 | | 3,529,315 | | | 10 |
| 10a | Therapy | 457,143 | 3,994 | 228,687 | 689,824 | | 689,824 | | 689,824 | | | 10a |
| 11 | Activities | 122,175 | 11,667 | 3,105 | 136,947 | | 136,947 | | 136,947 | | | 11 |
| 12 | Social Services | 47,493 | | 2,268 | 49,761 | | 49,761 | | 49,761 | | | 12 |
| 13 | CNA Training | | | | | | | | | | | 13 |
| 14 | Program Transportation | | | | | | | | | | | 14 |
| 15 | Other (specify):* | | | | | | | | | | | 15 |
| 16 | TOTAL Health Care and Programs | 3,967,695 | 172,226 | 305,926 | 4,445,847 | | 4,445,847 | | 4,445,847 | | | 16 |
| | C. General Administration | | | | | | | | | | | |
| 17 | Administrative | 90,134 | | 300,000 | 390,134 | | 390,134 | (270,005) | 120,129 | | | 17 |
| 18 | Directors Fees | | | | | | | | | | | 18 |
| 19 | Professional Services | | | 121,753 | 121,753 | | 121,753 | (73,552) | 48,201 | | | 19 |
| 20 | Dues, Fees, Subscriptions & Promotion | | | 48,996 | 48,996 | | 48,996 | 1,379 | 50,375 | | | 20 |
| 21 | Clerical & General Office Expense | 227,757 | 29,900 | 102,438 | 360,095 | | 360,095 | 103,374 | 463,469 | | | 21 |
| 22 | Employee Benefits & Payroll Tax | | | 641,884 | 641,884 | | 641,884 | 11,582 | 653,466 | | | 22 |
| 23 | Inservice Training & Education | | | | | | | | | | | 23 |
| 24 | Travel and Seminar | | | 6,505 | 6,505 | | 6,505 | 469 | 6,974 | | | 24 |
| 25 | Other Admin. Staff Transportation | | | 6,177 | 6,177 | | 6,177 | 287 | 6,464 | | | 25 |
| 26 | Insurance-Prop.Liab.Malpractice | | | 118,792 | 118,792 | | 118,792 | 4,179 | 122,971 | | | 26 |
| 27 | Other (specify):* Mgmt Alloc of Benefits | | | | | | | 24,049 | 24,049 | | | 27 |
| 28 | TOTAL General Administration | 317,891 | 29,900 | 1,346,545 | 1,694,336 | | 1,694,336 | (198,238) | 1,496,098 | | | 28 |
| 29 | TOTAL Operating Expense (sum of lines 8, 16 & 28) | 4,903,348 | 640,042 | 1,989,233 | 7,532,623 | | 7,532,623 | (207,497) | 7,325,126 | | | 29 |

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

V. COST CENTER EXPENSES (continued)

| | Capital Expense | Cost Per General Ledger | | | | Reclass- ification 5 | Reclassified Total 6 | Adjust- ments 7** | Adjusted Total 8 | FOR OHF USE ONLY | | |
|----|---|-------------------------|---------------|------------|------------|----------------------------|----------------------------|-------------------------|------------------------|------------------|----|----|
| | | Salary/Wage 1 | Supplies 2 | Other 3 | Total 4 | | | | | 9 | 10 | |
| | D. Ownership | | | | | | | | | | | |
| 30 | Depreciation | | | 7,653 | 7,653 | | 7,653 | 5,767 | 13,420 | | | 30 |
| 31 | Amortization of Pre-Op. & Org | | | | | | | | | | | 31 |
| 32 | Interest | | | 52,359 | 52,359 | | 52,359 | 21,791 | 74,150 | | | 32 |
| 33 | Real Estate Taxes | | | | | | | 225,949 | 225,949 | | | 33 |
| 34 | Rent-Facility & Grounds | | | 1,249,130 | 1,249,130 | | 1,249,130 | (223,728) | 1,025,402 | | | 34 |
| 35 | Rent-Equipment & Vehicle | | | 19,603 | 19,603 | | 19,603 | 2,555 | 22,158 | | | 35 |
| 36 | Other (specify): ³ | | | | | | | | | | | 36 |
| 37 | TOTAL Ownership | | | 1,328,745 | 1,328,745 | | 1,328,745 | 32,334 | 1,361,079 | | | 37 |
| | Ancillary Expense | | | | | | | | | | | |
| | E. Special Cost Centers | | | | | | | | | | | |
| 38 | Medically Necessary Transportation | | | | | | | | | | | 38 |
| 39 | Ancillary Service Center: | | 824,199 | | 824,199 | | 824,199 | | 824,199 | | | 39 |
| 40 | Barber and Beauty Shops | | | | | | | | | | | 40 |
| 41 | Coffee and Gift Shop: | | | | | | | | | | | 41 |
| 42 | Provider Participation Fee | | | 91,500 | 91,500 | | 91,500 | | 91,500 | | | 42 |
| 43 | Other (specify): ³ Nonallowable Cost | | | 240,621 | 240,621 | | 240,621 | (240,621) | | | | 43 |
| 44 | TOTAL Special Cost Centers | | 824,199 | 332,121 | 1,156,320 | | 1,156,320 | (240,621) | 915,699 | | | 44 |
| 45 | GRAND TOTAL COST (sum of lines 29, 37 & 44) | 4,903,348 | 1,464,241 | 3,650,099 | 10,017,688 | | 10,017,688 | (415,784) | 9,601,904 | | | 45 |

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See Schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 5

Facility Name & ID Number Claremont Rehab & Living Center

0039842

Report Period Beginning: 3/1/2005

Ending: 12/31/2005

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

| | | 1 Amount | 2 Refer- ence | 3 OHF USE ONLY | |
|----|---|--------------|---------------------|----------------------|----|
| 1 | Day Care | \$ | | \$ | 1 |
| 2 | Other Care for Outpatients | | | | 2 |
| 3 | Governmental Sponsored Special Program | | | | 3 |
| 4 | Non-Patient Meals | | | | 4 |
| 5 | Telephone, TV & Radio in Resident Room | | | | 5 |
| 6 | Rented Facility Space | | | | 6 |
| 7 | Sale of Supplies to Non-Patient | | | | 7 |
| 8 | Laundry for Non-Patients | | | | 8 |
| 9 | Non-Straightline Depreciation | 259 | 30 | | 9 |
| 10 | Interest and Other Investment Income | (282) | 32 | | 10 |
| 11 | Discounts, Allowances, Rebates & Refund | | | | 11 |
| 12 | Non-Working Officer's or Owner's Salary | | | | 12 |
| 13 | Sales Tax | (948) | 43 | | 13 |
| 14 | Non-Care Related Interest | | | | 14 |
| 15 | Non-Care Related Owner's Transaction | | | | 15 |
| 16 | Personal Expenses (Including Transportation | | | | 16 |
| 17 | Non-Care Related Fees | | | | 17 |
| 18 | Fines and Penalties | (8,450) | 43 | | 18 |
| 19 | Entertainment | (1,363) | 43 | | 19 |
| 20 | Contributions | (8,531) | 43 | | 20 |
| 21 | Owner or Key-Man Insurance | | | | 21 |
| 22 | Special Legal Fees & Legal Retainer | | | | 22 |
| 23 | Malpractice Insurance for Individual | | | | 23 |
| 24 | Bad Debt | (120,000) | 43 | | 24 |
| 25 | Fund Raising, Advertising and Promotion | (90,112) | 43 | | 25 |
| 26 | Income Taxes and Illinois Personal Property Replacement Tax | | | | 26 |
| 27 | CNA Training for Non-Employee | | | | 27 |
| 28 | Yellow Page Advertising | (6,271) | 43 | | 28 |
| 29 | Other-Attach Schedule See Attached Sch5a | (99,039) | | | 29 |
| 30 | SUBTOTAL (A): (Sum of lines 1-29) | \$ (334,737) | | \$ | 30 |

| OHF USE ONLY | | | | | | | |
|--------------|--|----|--|----|--|----|----|
| 48 | | 49 | | 50 | | 51 | 52 |

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below. (See instructions.)

| | | 1 Amount | 2 Reference | |
|----|---|--------------|----------------|----|
| 31 | Non-Paid Workers-Attach Schedule | \$ | | 31 |
| 32 | Donated Goods-Attach Schedule | | | 32 |
| 33 | Amortization of Organization & Pre-Operating Expense | | | 33 |
| 34 | Adjustments for Related Organization Costs (Schedule VII) | (81,047) | | 34 |
| 35 | Other- Attach Schedule | | | 35 |
| 36 | SUBTOTAL (B): (sum of lines 31-35) | \$ (81,047) | | 36 |
| 37 | (sum of SUBTOTALS (A) and (B)) | \$ (415,784) | | 37 |

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

| | | 1 Yes | 2 No | 3 Amount | 4 Reference | |
|----|---------------------------------|----------|---------|-------------|----------------|----|
| 38 | Medically Necessary Transport | | x | \$ | | 38 |
| 39 | | | | | | 39 |
| 40 | Gift and Coffee Shop | | x | | | 40 |
| 41 | Barber and Beauty Shops | | x | | | 41 |
| 42 | Laboratory and Radiology | | x | | | 42 |
| 43 | Prescription Drugs | | x | | | 43 |
| 44 | Exceptional Care Program | | x | | | 44 |
| 45 | Other-Attach Schedule | | x | | | 45 |
| 46 | Other-Attach Schedule | | x | | | 46 |
| 47 | TOTAL (C): (sum of lines 38-46) | | | \$ | | 47 |

SEE ACCOUNTANTS' COMPILATION REPORT

Claremont Rehab & Living Center

Provider #: 0039842

3/1/2005 to 12/31/2005

Schedule 5A

VI. Adjustment Detail

Line 29 - Other

| Non-allowable expenses | Amount | Reference |
|---|-----------------|-----------|
| To offset misc. income - transportation | (13) | 25 |
| To offset telephone income | (9,126) | 21 |
| Cable | (4,946) | 43 |
| To disallow marketing salary | (743) | 21 |
| To offset misc. income | (2,933) | 21 |
| To offset misc. income -meals | (799) | 2 |
| To disallow non-allowable legal fees | (76,300) | 19 |
| To disallow 25% of telephone expense for personal use | (1,205) | 21 |
| To disallow holiday expenses | (2,000) | 22 |
| NuCare Allocation - Non-allowable telephone | (839) | 21 |
| NuCare Allocation - Non-allowable holiday expenses | (135) | 22 |
| | <u>(99,039)</u> | |

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 5A

Claremont Rehab & Living Center

ID# 0039842

Report Period Beginning: 3/1/2005

Ending: 12/31/2005

| NON-ALLOWABLE EXPENSES | | Amount | Sch. V Line Reference |
|------------------------|-------|--------|--------------------------|
| 1 | | \$ | 1 |
| 2 | | | 2 |
| 3 | | | 3 |
| 4 | | | 4 |
| 5 | | | 5 |
| 6 | | | 6 |
| 7 | | | 7 |
| 8 | | | 8 |
| 9 | | | 9 |
| 10 | | | 10 |
| 11 | | | 11 |
| 12 | | | 12 |
| 13 | | | 13 |
| 14 | | | 14 |
| 15 | | | 15 |
| 16 | | | 16 |
| 17 | | | 17 |
| 18 | | | 18 |
| 19 | | | 19 |
| 20 | | | 20 |
| 21 | | | 21 |
| 22 | | | 22 |
| 23 | | | 23 |
| 24 | | | 24 |
| 25 | | | 25 |
| 26 | | | 26 |
| 27 | | | 27 |
| 28 | | | 28 |
| 29 | | | 29 |
| 30 | | | 30 |
| 31 | | | 31 |
| 32 | | | 32 |
| 33 | | | 33 |
| 34 | | | 34 |
| 35 | | | 35 |
| 36 | | | 36 |
| 37 | | | 37 |
| 38 | | | 38 |
| 39 | | | 39 |
| 40 | | | 40 |
| 41 | | | 41 |
| 42 | | | 42 |
| 43 | | | 43 |
| 44 | | | 44 |
| 45 | | | 45 |
| 46 | | | 46 |
| 47 | | | 47 |
| 48 | | | 48 |
| 49 | Total | 0 | 49 |

Summary A

12/31/2005

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

[illegible]

Summary B

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

[illegible]

Facility Name & ID Number Claremont Rehab & Living Center# 0039842Report Period Beginning: 3/1/2005Ending: 12/31/2005

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

| 1 OWNERS | | 2 RELATED NURSING HOMES | | 3 OTHER RELATED BUSINESS ENTITIES | | |
|-----------------|-------------|----------------------------|------|--------------------------------------|------|------------------|
| Name | Ownership % | Name | City | Name | City | Type of Business |
| See Schedule 6c | | See Schedule 6a | | See Schedule 6b | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

| 1 | | 2 | 3 Cost Per General Ledger | 4 | 5 Cost to Related Organization | 6 | 7 | 8 Difference: Adjustments for Related Organization Costs (7 minus 4) | |
|------------|-------|----|---------------------------|--------|---|----------------------|--|--|----|
| Schedule V | Line | | Item | Amount | Name of Related Organization | Percent of Ownership | Operating Cost of Related Organization | | |
| 1 | V | 19 | Professional Fees | \$ | Claremont Extended Healthcare Realty, LLC | 100.00% | \$ 250 | \$ 250 | 1 |
| 2 | V | 32 | Interest Expense | | Claremont Extended Healthcare Realty, LLC | 100.00% | 17,654 | 17,654 | 2 |
| 3 | V | | | | | | | | 3 |
| 4 | V | | | | | | | | 4 |
| 5 | V | | | | | | | | 5 |
| 6 | V | | | | | | | | 6 |
| 7 | V | | | | | | | | 7 |
| 8 | V | | | | | | | | 8 |
| 9 | V | | | | | | | | 9 |
| 10 | V | | | | | | | | 10 |
| 11 | V | | | | | | | | 11 |
| 12 | V | | | | | | | | 12 |
| 13 | V | | | | | | | | 13 |
| 14 | Total | | | \$ | | | \$ 17,904 | \$ * 17,904 | 14 |

* Total must agree with the amount recorded on line 34 of Schedule VI

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Claremont Rehab & Living Center# 0039842Report Period Beginning: 3/1/2005Ending: 12/31/2005

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

| 1 | 2 | 3 Cost Per General Ledger | 4 | 5 Cost to Related Organization | 6 | 7 | 8 Difference: |
|------------|-------|-------------------------------|------------|--------------------------------|----------------------|--|--|
| Schedule V | Line | Item | Amount | Name of Related Organization | Percent of Ownership | Operating Cost of Related Organization | Adjustments for Related Organization Costs (7 minus 4) |
| 15 | V | 5 Utilities | \$ | NuCare Management Company | 80.00% | \$ 2,206 | \$ 2,206 15 |
| 16 | V | 6 Repairs and Maintenance | | NuCare Management Company | 80.00% | 3,051 | 3,051 16 |
| 17 | V | 17 Management Fees | 300,000 | NuCare Management Company | 80.00% | 29,995 | (270,005) 17 |
| 18 | V | 19 Professional Fees | | NuCare Management Company | 80.00% | 2,498 | 2,498 18 |
| 19 | V | 20 Dues, Subscriptions | | NuCare Management Company | 80.00% | 1,379 | 1,379 19 |
| 20 | V | 21 Office Expenses | | NuCare Management Company | 80.00% | 118,220 | 118,220 20 |
| 21 | V | 24 Education and Seminars | | NuCare Management Company | 80.00% | 469 | 469 21 |
| 22 | V | 25 Other Admin Transportation | | NuCare Management Company | 80.00% | 300 | 300 22 |
| 23 | V | 26 Insurance | | NuCare Management Company | 80.00% | 4,179 | 4,179 23 |
| 24 | V | 27 Employee Benefits | | NuCare Management Company | 80.00% | 24,049 | 24,049 24 |
| 25 | V | 30 Depreciation Expense | | NuCare Management Company | 80.00% | 5,508 | 5,508 25 |
| 26 | V | 32 Interest & Amortization | | NuCare Management Company | 80.00% | 933 | 933 26 |
| 27 | V | 33 Real Estate Taxes | | NuCare Management Company | 80.00% | 1,852 | 1,852 27 |
| 28 | V | 34 Facility Rent | | NuCare Management Company | 80.00% | 369 | 369 28 |
| 29 | V | 35 Equipment Rental | | NuCare Management Company | 80.00% | 2,555 | 2,555 29 |
| 30 | V | | | | | | |
| 31 | V | | | | | | |
| 32 | V | 32 Interest & Amortization | | NuCare Management Company | 80.00% | 3,486 | 3,486 32 |
| 33 | V | | | | | | |
| 34 | V | | | | | | |
| 35 | V | | | | | | |
| 36 | V | | | | | | |
| 37 | V | | | | | | |
| 38 | V | | | | | | |
| 39 | Total | | \$ 300,000 | | | \$ 201,049 | \$ * (98,951) 39 |

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Claremont Rehab & Living Center

Provider #: 0039842

3/1/2005 to 12/31/2005

Schedule 6c

| <u>Name</u> | <u>Ownership %</u> |
|--|---------------------------|
| Ross Bottner | 4% |
| Nancy Bottner | 1% |
| Jonah Bruck | 4% |
| Jo Bruck | 1% |
| Barry Carr | 4% |
| Randi S. Carr | 4% |
| Ryan A. Carr | 1% |
| Jared S. Carr | 1% |
| David Hartman | 40% |
| Robert Hartman Dynasty Trust | 9.50% |
| Robert Hartman Family Trust | 9.50% |
| Robert and Debra Hartman Family Foundation | 6.75% |
| Robert Hartman | 4.25% |
| Gerry Jenich | 4% |
| Dawn Jenich | 1% |
| Leonard Weiss | 4% |
| Jessica Weiss | 1% |
| | <hr/> |
| | 100% |
| | <hr/> |

Facility Name & ID Number Claremont Rehab & Living Center # 0039842 Report Period Beginning: 3/1/2005 Ending: 12/31/2005

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule

| | 1 Name | 2 Title | 3 Function | 4 Ownership Interest | 5 Compensation Received From Other Nursing Homes* | 6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week | | 7 Compensation Included in Costs for this Reporting Period** | | 8 Schedule V. Line & Column Reference | |
|----|----------------|------------|----------------|----------------------------|---|---|---------|---|------------|---|----|
| | | | | | | Hours | Percent | Description | Amount | | |
| 1 | David Hartman | Member | Administrative | 40% | See Sch 7a | 13.33 | 33% | Mgmt. Fee | \$ 51,356 | L17, C8 | 1 |
| 2 | Robert Hartman | Member | Administrative | 4.25% | See Sch 7b | 1.35 | 3% | Mgmt. Fee | 3,384 | L17, C8 | 2 |
| 3 | Barry Carr | Member | Administrative | 4% | See Sch 7c | 3.38 | 8% | Mgmt. Fee | 9,041 | L17, C8 | 3 |
| 4 | Ross Bottner | Member | Administrative | 4% | See Sch 7d | 4.00 | 8% | Mgmt. Fee | See Sch 7d | L17, C8 | 4 |
| 5 | Gerry Jenich | Member | Administrative | 4% | See Sch 7d | 4.00 | 8% | Mgmt. Fee | See Sch 7d | L17, C8 | 5 |
| 6 | | | | | | | | | | | 6 |
| 7 | | | | | | | | | | | 7 |
| 8 | | | | | | | | | | | 8 |
| 9 | | | | | | | | | | | 9 |
| 10 | | | | | | | | | | | 10 |
| 11 | | | | | | | | | | | 11 |
| 12 | | | | | | | | | | | 12 |
| 13 | | | | | | | | TOTAL | \$ 63,781 | | 13 |

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees)
FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME
ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Claremont Rehab & Living Center

Provider #: 0039842

3/1/2005 to 12/31/2005

Schedule 7d

| <u>Name</u> | <u>Ownership %</u> | <u>Compensation</u> |
|--------------------|---------------------------|----------------------------|
| Ross Bottner | 4% | ** |
| Gerry Jenich | 4% | ** |

** The above members are employees of NuCare Service Corporation and as such receive salaries. The salary amounts for the above individuals is included within the total clerical salaries of \$1,454,049. The total clerical salaries for all NuCare Service Corporation employees is then allocated to several facilities and this facility is allocated an amount for all clerical employees of \$98,411.

Facility Name & ID Number Claremont Rehab & Living Center# 0039842Report Period Beginning: 3/1/2005Ending: 2/31/2005

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization NuCare Management Company
 Street Address 7257 N. Lincoln #100
 City / State / Zip Code Lincolnwood, IL 60712
 Phone Number (847) 933-2600
 Fax Number (847) 933-2601

B. Show the allocation of costs below. If necessary, please attach worksheets

| 1 Schedule V Line Reference | 2 Item | 3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet) | 4 Total Units | 5 Number of Subunits Being Allocated Among | 6 Total Indirect Cost Being Allocated | 7 Amount of Salary Cost Contained in Column 6 | 8 Facility Units | 9 Allocation (col.8/col.4)x col.6 | |
|--------------------------------------|-----------|--|--------------------|---|--|--|------------------------|---|----|
| 1 | 5 | Utilities | Bed days available | 904,250 | 11 | \$ 32,587 | \$ 61,200 | \$ 2,206 | 1 |
| 2 | 6 | Repairs and Maintenance | Bed days available | 904,250 | 11 | 45,083 | 61,200 | 3,051 | 2 |
| 3 | 17 | Management Fees | Bed days available | 904,250 | 11 | 239,568 | 232,849 | 16,214 | 3 |
| 4 | 19 | Professional Fees | Bed days available | 904,250 | 11 | 36,903 | 61,200 | 2,498 | 4 |
| 5 | 20 | Dues, Subscriptions | Bed days available | 904,250 | 11 | 20,379 | 61,200 | 1,379 | 5 |
| 6 | 21 | Office Expenses | Bed days available | 904,250 | 11 | 1,746,738 | 1,454,049 | 118,220 | 6 |
| 7 | 24 | Education and Seminars | Bed days available | 904,250 | 11 | 6,935 | 61,200 | 469 | 7 |
| 8 | 25 | Other Admin Transportation | Bed days available | 904,250 | 11 | 4,428 | 61,200 | 300 | 8 |
| 9 | 26 | Insurance | Bed days available | 904,250 | 11 | 61,742 | 61,200 | 4,179 | 9 |
| 10 | 27 | Employee Benefits | Bed days available | 904,250 | 11 | 304,995 | 61,200 | 20,642 | 10 |
| 11 | 30 | Depreciation Expense | Bed days available | 904,250 | 11 | 100,669 | 61,200 | 6,813 | 11 |
| 12 | 32 | Interest & Amortization | Bed days available | 904,250 | 11 | 13,784 | 61,200 | 933 | 12 |
| 13 | 33 | Real Estate Taxes | Bed days available | 904,250 | 11 | 27,371 | 61,200 | 1,852 | 13 |
| 14 | 34 | Facility Rent | Bed days available | 904,250 | 11 | 5,450 | 61,200 | 369 | 14 |
| 15 | 35 | Equipment Rental | Bed days available | 904,250 | 11 | 37,756 | 61,200 | 2,555 | 15 |
| 16 | | | | | | | | | 16 |
| 17 | 30 | Depreciation Expense | Direct allocation | | 11 | | | (1,305) | 17 |
| 18 | 32 | Interest & Amortization | Bed days available | 904,250 | 11 | 51,510 | 61,200 | 3,486 | 18 |
| 19 | | | | | | | | | 19 |
| 20 | 17 | Management Fees | Direct allocation | | 11 | 187,649 | | 13,781 | 20 |
| 21 | 27 | Employee Benefits | Direct allocation | | 11 | 31,010 | | 3,407 | 21 |
| 22 | | | | | | | | | 22 |
| 23 | | | | | | | | | 23 |
| 24 | | | | | | | | | 24 |
| 25 | TOTALS | | | | | \$ 2,954,557 | \$ 1,686,898 | \$ 201,049 | 25 |

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

| 1 | | 2 | | 3 | 4 | 5 | 6 | | 7 | 8 | 9 | 10 | |
|----|------------------------------|-----------|----|-----------------|--------------------------|--------------|----------------|--------------|------------------------------------|--------------------------|-----------------------------------|----|--|
| | Name of Lender | Related** | | Purpose of Loan | Monthly Payment Required | Date of Note | Amount of Note | | Maturity Date | Interest Rate (4 Digits) | Reporting Period Interest Expense | | |
| | | YES | NO | | | | Original | Balance | | | | | |
| | A. Directly Facility Related | | | | | | | | | | | | |
| | Long-Term | | | | | | | | | | | | |
| 1 | LaSalle Bank | | X | Note Payable | Interest Only | 3/31/2005 | \$ 300,000 | \$ 300,000 | 03/31/2010 | 0.0775 | \$ 17,654 | 1 | |
| 2 | | | | | | | | | | | | 2 | |
| 3 | | | | | | | | | | | | 3 | |
| 4 | | | | | | | | | | | | 4 | |
| 5 | | | | | | | | | | | | 5 | |
| | Working Capital | | | | | | | | | | | | |
| 6 | LaSalle Bank | | X | Line of Credit | Interest Only | 3/31/2005 | 1,350,000 | 1,350,000 | 03/31/2006 | 0.0775 | 52,359 | 6 | |
| 7 | | | | | | | | | | | | 7 | |
| 8 | | | | | | | | | | | | 8 | |
| 9 | TOTAL Facility Related | | | | | | \$ 1,650,000 | \$ 1,650,000 | | | \$ 70,013 | 9 | |
| | B. Non-Facility Related* | | | | | | | | | | | | |
| 10 | | | | | | | | | Interest Income Offset | | (282) | 10 | |
| 11 | | | | | | | | | Allocation from Management Company | | 4,419 | 11 | |
| 12 | | | | | | | | | | | | 12 | |
| 13 | | | | | | | | | | | | 13 | |
| 14 | TOTAL Non-Facility Related | | | | | | \$ | \$ | | | \$ 4,137 | 14 | |
| 15 | TOTALS (line 9+line14) | | | | | | \$ 1,650,000 | \$ 1,650,000 | | | \$ 74,150 | 15 | |

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number **Claremont Rehab & Living Center**# **0039842** Report Period Beginning: **3/1/2005** Ending: **12/31/2005****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

| | | | | |
|---|------|---|------------|----|
| 1. Real Estate Tax accrual used on 2004 report. | | Important , please see the next worksheet, "RE_Tax". The real estate tax statement and t must accompany the cost report | \$ | 1 |
| 2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.) | | 2004 | \$ 224,097 | 2 |
| 3. Under or (over) accrual (line 2 minus line 1). | | | \$ 224,097 | 3 |
| 4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.) | | | \$ | 4 |
| 5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.) | | | \$ | 5 |
| 6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. | | Allocation from Management Company | 1,852 | |
| TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.) | | | \$ | 6 |
| 7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru | | | \$ 225,949 | 7 |
| Real Estate Tax History: | | | | |
| Real Estate Tax Bill for Calendar Year: | 2000 | 172,103 | 8 | |
| | 2001 | 182,528 | 9 | |
| | 2002 | 207,185 | 10 | |
| | 2003 | 215,770 | 11 | |
| | 2004 | 224,097 | 12 | |
| FOR OHF USE ONLY | | | | |
| | 13 | FROM R. E. TAX STATEMENT FOR 2004 | \$ | 13 |
| | 14 | PLUS APPEAL COST FROM LINE 5 | \$ | 14 |
| | 15 | LESS REFUND FROM LINE 6 | \$ | 15 |
| | 16 | AMOUNT TO USE FOR RATE CALCULATION | \$ | 16 |

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Claremont Rehab & Living Center COUNTY Lake

FACILITY IDPH LICENSE NUMBER 0039842

CONTACT PERSON REGARDING THIS REPORT Ross Bottner

TELEPHONE (847) 933-2600 FAX #: (847) 933-2601

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

| (A) | (B) | (C) | (D) |
|-------------------------|-----------------------------|----------------------|---|
| <u>Tax Index Number</u> | <u>Property Description</u> | <u>Total Tax</u> | <u>Tax Applicable to Nursing Home</u> |
| 1. <u>15-33-404-140</u> | <u>Nursing Home</u> | \$ <u>224,097.00</u> | \$ <u>224,097.00</u> |
| 2. _____ | _____ | \$ _____ | \$ _____ |
| 3. _____ | _____ | \$ _____ | \$ _____ |
| 4. _____ | _____ | \$ _____ | \$ _____ |
| 5. _____ | _____ | \$ _____ | \$ _____ |
| 6. _____ | _____ | \$ _____ | \$ _____ |
| 7. _____ | _____ | \$ _____ | \$ _____ |
| 8. _____ | _____ | \$ _____ | \$ _____ |
| 9. _____ | _____ | \$ _____ | \$ _____ |
| 10. _____ | _____ | \$ _____ | \$ _____ |
| TOTALS | | \$ <u>224,097.00</u> | \$ <u>224,097.00</u> |

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home.
(Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Claremont Rehab & Living Center# 0039842 Report Period Beginning:

3/1/2005 Ending:

12/31/2005

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 86,000 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3C. Does the Operating Entity? ☐ (a) Own the Facility ☒ (b) Rent from a Related Organization ☐ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions)

D. Does the Operating Entity? ☒ (a) Own the Equipment ☐ (b) Rent equipment from a Related Organization ☒ (c) Rent equipment from Completely Unrelated Organization

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

N/AF. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO
If so, please complete the following:1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized N/A
3. Current Period Amortization: N/A 4. Dates Incurred: N/ANature of Costs: N/A

(Attach a complete schedule detailing the total amount of organization and pre-operating costs)

XI. OWNERSHIP COSTS:

A. Land.

| | 1 Use | 2 Square Feet | 3 Year Acquired | 4 Cost | |
|---|---|------------------|--------------------|-----------------|---|
| 1 | <u>Allocation from management company</u> | | | \$ <u>5,271</u> | 1 |
| 2 | | | | | 2 |
| 3 | TOTALS | | | \$ <u>5,271</u> | 3 |

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Claremont Rehab & Living Center

0039842

Report Period Beginning:

3/1/2005

Ending:

12/31/2005

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
|---------------------------|---|---------------|------------------|-----------|---------------------------|---------------|----------------------------|-------------|--------------------------|
| Beds* | FOR OHF USE ONLY | Year Acquired | Year Constructed | Cost | Current Book Depreciation | Life in Years | Straight Line Depreciation | Adjustments | Accumulated Depreciation |
| 4 | Allocation | 2005 | | \$ 47,443 | | 25 | \$ 1,356 | \$ 1,356 | \$ 2,881 |
| 5 | | | | | | | | | |
| 6 | | | | | | | | | |
| 7 | | | | | | | | | |
| 8 | | | | | | | | | |
| Improvement Type** | | | | | | | | | |
| 9 | Data cables & jacks | 2005 | | 8,647 | 216 | 20 | 216 | | 216 |
| 10 | Electrical work | 2005 | | 4,050 | 101 | 20 | 101 | | 101 |
| 11 | Landscape architecture | 2005 | | 4,500 | 113 | 20 | 113 | | 113 |
| 12 | Alarm for door | 2005 | | 1,550 | | 20 | 39 | 39 | 39 |
| 13 | Flooring | 2005 | | 55,880 | 1,397 | 20 | 1,397 | | 1,397 |
| 14 | Heater | 2005 | | 1,578 | 39 | 20 | 39 | | 39 |
| 15 | Sewerline | 2005 | | 4,000 | 100 | 20 | 100 | | 100 |
| 16 | Nursing Station countertop and cabinet | 2005 | | 13,000 | 325 | 20 | 325 | | 325 |
| 17 | Draperies | 2005 | | 5,013 | 125 | 20 | 125 | | 125 |
| 18 | Modulator and DTV box | 2005 | | 750 | 19 | 20 | 19 | | 19 |
| 19 | Wireless TV satellite dish | 2005 | | 1,137 | 28 | 20 | 28 | | 28 |
| 20 | Concrete by parlor exit | 2005 | | 1,575 | | 20 | 39 | 39 | 39 |
| 21 | Microboard | 2005 | | 5,110 | 128 | 20 | 128 | | 128 |
| 22 | Electrical work | 2005 | | 1,720 | | 20 | 43 | 43 | 43 |
| 23 | | | | | | | | | |
| 24 | | | | | | | | | |
| 25 | | | | | | | | | |
| 26 | 2005 Allocation from management company | | | | | | | | |
| 27 | Security System | 2005 | | 192 | | 20 | 10 | 10 | 14 |
| 28 | Fire Alarm System | 2005 | | 751 | | 20 | 37 | 37 | 57 |
| 29 | Sprinkler System | 2005 | | 4,325 | | 20 | 108 | 108 | 108 |
| 30 | Alarm System | 2005 | | 793 | | 20 | 40 | 40 | 84 |
| 31 | Buildout of Offices | 2005 | | 16,095 | | 20 | 805 | 805 | 1,375 |
| 32 | Data cables, lights, & heat exchanger | 2005 | | 954 | | 20 | 24 | 24 | 24 |
| 33 | | | | | | | | | |
| 34 | | | | | | | | | |
| 35 | | | | | | | | | |
| 36 | | | | | | | | | |

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

| 1 Improvement Type** | | 3 Year Constructed | 4 Cost | 5 Current Book Depreciation | 6 Life in Years | 7 Straight Line Depreciation | 8 Adjustments | 9 Accumulated Depreciation | |
|-------------------------|-------------------------|--------------------------|------------|-----------------------------------|-----------------------|------------------------------------|------------------|----------------------------------|----|
| 37 | | | \$ | \$ | | \$ | \$ | | 37 |
| 38 | | | | | | | | | 38 |
| 39 | | | | | | | | | 39 |
| 40 | | | | | | | | | 40 |
| 41 | | | | | | | | | 41 |
| 42 | | | | | | | | | 42 |
| 43 | | | | | | | | | 43 |
| 44 | | | | | | | | | 44 |
| 45 | | | | | | | | | 45 |
| 46 | | | | | | | | | 46 |
| 47 | | | | | | | | | 47 |
| 48 | | | | | | | | | 48 |
| 49 | | | | | | | | | 49 |
| 50 | | | | | | | | | 50 |
| 51 | | | | | | | | | 51 |
| 52 | | | | | | | | | 52 |
| 53 | | | | | | | | | 53 |
| 54 | | | | | | | | | 54 |
| 55 | | | | | | | | | 55 |
| 56 | | | | | | | | | 56 |
| 57 | | | | | | | | | 57 |
| 58 | | | | | | | | | 58 |
| 59 | | | | | | | | | 59 |
| 60 | | | | | | | | | 60 |
| 61 | | | | | | | | | 61 |
| 62 | | | | | | | | | 62 |
| 63 | | | | | | | | | 63 |
| 64 | | | | | | | | | 64 |
| 65 | | | | | | | | | 65 |
| 66 | | | | | | | | | 66 |
| 67 | | | | | | | | | 67 |
| 68 | | | | | | | | | 68 |
| 69 | | | | | | | | | 69 |
| 70 | TOTAL (lines 4 thru 69) | | \$ 179,063 | \$ 2,592 | | \$ 5,093 | \$ 2,501 | \$ 7,256 | 70 |

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

C. Equipment Depreciation-Excluding Transportation. (See instruction

| | Category of Equipment | 1 Cost | Current Book Depreciation 2 | Straight Line Depreciation 3 | 4 Adjustments | Component Life 5 | Accumulated Depreciation 6 | |
|----|------------------------------------|------------|-----------------------------|------------------------------|------------------|------------------|----------------------------|----|
| 71 | Purchased in Prior Years | \$ | \$ | \$ | \$ | | \$ | 71 |
| 72 | Current Year Purchases | 103,980 | 5,061 | 5,199 | 138 | 10 | 5,199 | 72 |
| 73 | Fully Depreciated Assets | | | | | | | 73 |
| 74 | Allocation from management company | 40,657 | | 3,128 | 3,128 | | 17,355 | 74 |
| 75 | TOTALS | \$ 144,637 | \$ 5,061 | \$ 8,327 | \$ 3,266 | | \$ 22,554 | 75 |

D. Vehicle Depreciation (See instructions.)*

| | 1 Use | Model, Make and Year 2 | Year Acquired 3 | 4 Cost | Current Book Depreciation 5 | Straight Line Depreciation 6 | 7 Adjustments | Life in Years 8 | Accumulated Depreciation 9 | |
|----|----------|------------------------|-----------------|-----------|-----------------------------|------------------------------|------------------|-----------------|----------------------------|----|
| 76 | | | | \$ | \$ | \$ | \$ | | \$ | 76 |
| 77 | | | | | | | | | | 77 |
| 78 | | | | | | | | | | 78 |
| 79 | | | | | | | | | | 79 |
| 80 | TOTALS | | | \$ | \$ | \$ | \$ | | \$ | 80 |

E. Summary of Care-Related Asset

| | 1 Reference | 2 Amount | |
|----|--|-------------|-------|
| 81 | Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable) | \$ 328,971 | 81 |
| 82 | Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable) | \$ 7,653 | 82 |
| 83 | Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable) | \$ 13,420 | 83 ** |
| 84 | Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable) | \$ 5,767 | 84 |
| 85 | Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable) | \$ 29,810 | 85 |

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions

| | 1 Description & Year Acquired | 2 Cost | Current Book Depreciation 3 | Accumulated Depreciation 4 | |
|----|----------------------------------|-----------|-----------------------------|----------------------------|----|
| 86 | | \$ | \$ | \$ | 86 |
| 87 | | | | | 87 |
| 88 | N/A | | | | 88 |
| 89 | | | | | 89 |
| 90 | | | | | 90 |
| 91 | TOTALS | \$ | \$ | \$ | 91 |

G. Construction-in-Progres

| | Description | Cost | |
|----|-------------|------|----|
| 92 | | \$ | 92 |
| 93 | N/A | | 93 |
| 94 | | | 94 |
| 95 | | \$ | 95 |

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column f

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Claremont Extended Healthcare, LLC

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4

If NO, see instructions.

☒ YES ☐ NO

| | | 1 Year Constructed | 2 Number of Beds | 3 Original Lease Date | 4 Rental Amount | 5 Total Years of Lease | 6 Total Years Renewal Option* | |
|---|--------------------|---|------------------------|-----------------------------|-----------------------|------------------------------|-------------------------------------|---|
| 3 | Original Building: | <u>1994</u> | <u>200</u> | <u>3/1/2005</u> | \$ <u>1,025,033</u> | <u>5</u> | <u>15</u> | 3 |
| 4 | Additions | | | | | | | 4 |
| 5 | | <u>Allocation from Management Company</u> | | | <u>369</u> | | | 5 |
| 6 | | | | | | | | 6 |
| 7 | TOTAL | | <u>200</u> | | \$ <u>1,025,402</u> | | | 7 |

8. List separately any amortization of lease expense included on page 4, line 34

This amount was calculated by dividing the total amount to be amortize

by the length of the lease N/A.

N/A

N/A

9. Option to Buy: ☒ YES ☐ NO Terms: \$550,000 option can be exercised after 10/2009

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental

☒ YES ☐ NO

16. Rental Amount for movable equipment: \$ 9,493

Description: Copy Machine \$3,508, Storage \$3,430, Allocation from management company \$2,55

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

| | 1 Use | 2 Model Year and Make | 3 Monthly Lease Payment | 4 Rental Expense for this Period | |
|----|----------------------|-----------------------------|-------------------------------|--|----|
| 17 | <u>Patients</u> | <u>99 14 Passenger Bus</u> | \$ <u>900.00</u> | \$ <u>9,000</u> | 17 |
| 18 | <u>Administrator</u> | <u>04 Honda Accord</u> | <u>366.50</u> | <u>3,665</u> | 18 |
| 19 | | | | | 19 |
| 20 | | | | | 20 |
| 21 | TOTAL | | \$ <u>1,266.50</u> | \$ <u>12,665</u> | 21 |

10. Effective dates of current rental agreement:

Beginning 3/1/2005

Ending 2/28/2010

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. 12/31/2006 \$ 1,544,856

13. 12/31/2007 \$ 1,553,706

14. 12/31/2008 \$ 1,599,606

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

Claremont Rehab & Living Center

Provider #: 0039842

3/1/2005 to **12/31/2005**

Schedule 14a

XII. Rental Costs

B. Equipment-Excluding Transportation and Fixed Equipment.

| Item Rented | Amount |
|-------------|--------|
| | - |

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility)

| | | |
|--|---|--|
| <p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p> | <p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p> | <p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p> |
|--|---|--|

B. EXPENSES

ALLOCATION OF COSTS (d)

| | | Facility | | 3 | 4 |
|----|---------------------------------|-----------|-----------|----------|-------|
| | | 1 | 2 | | |
| | | Drop-outs | Completed | Contract | Total |
| 1 | Community College Tuition | \$ | \$ | \$ | \$ |
| 2 | Books and Supplies | | | | |
| 3 | Classroom Wages (a) | | | | |
| 4 | Clinical Wages (b) | | | | |
| 5 | In-House Trainer Wage (c) | | | | |
| 6 | Transportation | | | | |
| 7 | Contractual Payments | | | | |
| 8 | CNA Competency Tests | | | | |
| 9 | TOTALS | \$ | \$ | \$ | \$ |
| 10 | SUM OF line 9, col. 1 and 2 (e) | \$ | | | |

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefit.
- (c) For in-house training programs only. Do not include fringe benefit.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities:

\$ _____

D. NUMBER OF CNAs TRAINED

| COMPLETED | |
|------------------------------|--|
| 1. From this facility | |
| 2. From other facilities (f) | |
| DROP-OUTS | |
| 1. From this facility | |
| 2. From other facilities (f) | |
| TOTAL TRAINED | |

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

| 1 | | | 2 | | 3 | 4 | 5 | 6 | 7 | 8 | |
|----|--|--|---------------------|--------------------|---|-------|---------------------------------------|-------------------------------|--------------------------------|--------------|----|
| | Service | Schedule V Line & Column Reference | Staff | | Outside Practitioner (other than consultant) | | Supplies (Actual or) Allocated) | Total Units (Column 2 + 4) | Total Cost (Col. 3 + 5 + 6) | | |
| | | | Units of Service | Cost | Units | Cost | | | | | |
| | | | | | | | | | | | |
| 1 | Licensed Occupational Therapist | L10a, C1, C3 | 4582 | hrs | \$ 137,148 | 1,325 | \$ 66,245 | | 5,907 | \$ 203,393 | 1 |
| 2 | Licensed Speech and Language Development Therapist | L10a, C1, C3 | 2291 | hrs | 68,574 | 662 | 33,123 | | 2,953 | 101,697 | 2 |
| 3 | Licensed Recreational Therapist | | | hrs | | | | | | | 3 |
| 4 | Licensed Physical Therapist | L10a, C1, C2, C3 | 8400 | hrs | 251,421 | 2,429 | 121,466 | 3,994 | 10,829 | 376,881 | 4 |
| 5 | Physician Care | | | visits | | | | | | | 5 |
| 6 | Dental Care | | | visits | | | | | | | 6 |
| 7 | Work Related Program | | | hrs | | | | | | | 7 |
| 8 | Habilitation | | | hrs | | | | | | | 8 |
| 9 | Pharmacy | L39, C2 | | # of prescripts | | | | 824,199 | | 824,199 | 9 |
| 10 | Psychological Services (Evaluation and Diagnosis/ Behavior Modification) | | | hrs | | | | | | | 10 |
| 11 | Academic Education | | | hrs | | | | | | | 11 |
| 12 | Exceptional Care Program | | | | | | | | | | 12 |
| 13 | Other (specify): | | | | | | | | | | 13 |
| 14 | TOTAL | | | | \$ 457,143 | 4,417 | \$ 220,834 | \$ 828,193 | 19,690 | \$ 1,506,170 | 14 |

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Claremont Rehab & Living Center

Provider #: 0039842

3/1/2005 to 12/31/2005

Schedule 16A

XIV. Special Services

Line 13 Other (specify):

| Service | Line Reference | Outside Practioner Units | Cost | Supplies |
|---------|-------------------|-----------------------------|------|----------|
| Total | | 0 | 0 | 0 |

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

| | | 1 Operating | 2 After Consolidation* | |
|----|---|----------------|---------------------------|----|
| | A. Current Assets | | | |
| 1 | Cash on Hand and in Banks | \$ 3,903 | \$ 4,653 | 1 |
| 2 | Cash-Patient Deposits | | | 2 |
| 3 | Accounts & Short-Term Notes Receivable- Patients (less allowance 119,504) | 2,565,603 | 2,565,603 | 3 |
| 4 | Supply Inventory (priced at) | | | 4 |
| 5 | Short-Term Investments | | | 5 |
| 6 | Prepaid Insurance | 33,005 | 33,005 | 6 |
| 7 | Other Prepaid Expenses | 100,843 | 100,843 | 7 |
| 8 | Accounts Receivable (owners or related parties) | | | 8 |
| 9 | Other(specify): See Attached Sch17a | 258,654 | 550,000 | 9 |
| 10 | TOTAL Current Assets (sum of lines 1 thru 9) | \$ 2,962,008 | \$ 3,254,104 | 10 |
| | B. Long-Term Assets | | | |
| 11 | Long-Term Notes Receivable | | | 11 |
| 12 | Long-Term Investments | | | 12 |
| 13 | Land | | 5,271 | 13 |
| 14 | Buildings, at Historical Cost | | 47,443 | 14 |
| 15 | Leasehold Improvements, at Historical Cost | 103,665 | 131,620 | 15 |
| 16 | Equipment, at Historical Cost | 101,277 | 144,637 | 16 |
| 17 | Accumulated Depreciation (book methods) | (7,653) | (29,810) | 17 |
| 18 | Deferred Charges | | | 18 |
| 19 | Organization & Pre-Operating Costs | | | 19 |
| 20 | Accumulated Amortization - Organization & Pre-Operating Costs | | | 20 |
| 21 | Restricted Funds | | | 21 |
| 22 | Other Long-Term Assets (specify): | | | 22 |
| 23 | Other(specify): | | | 23 |
| 24 | TOTAL Long-Term Assets (sum of lines 11 thru 23) | \$ 197,289 | \$ 299,161 | 24 |
| 25 | TOTAL ASSETS (sum of lines 10 and 24) | \$ 3,159,297 | \$ 3,553,265 | 25 |

| | | 1 Operating | 2 After Consolidation* | |
|----|---|----------------|---------------------------|----|
| | C. Current Liabilities | | | |
| 26 | Accounts Payable | \$ 570,082 | \$ 570,082 | 26 |
| 27 | Officer's Accounts Payable | | | 27 |
| 28 | Accounts Payable-Patient Deposits | | | 28 |
| 29 | Short-Term Notes Payable | 1,350,000 | 1,406,250 | 29 |
| 30 | Accrued Salaries Payable | 428,662 | 428,662 | 30 |
| 31 | Accrued Taxes Payable (excluding real estate taxes) | 107,752 | 107,752 | 31 |
| 32 | Accrued Real Estate Taxes(Sch.IX-B) | | | 32 |
| 33 | Accrued Interest Payable | | | 33 |
| 34 | Deferred Compensation | | | 34 |
| 35 | Federal and State Income Taxes | | | 35 |
| | Other Current Liabilities(specify): | | | |
| 36 | See Attached Sch17a | 262,499 | 262,499 | 36 |
| 37 | | | | 37 |
| 38 | TOTAL Current Liabilities (sum of lines 26 thru 37) | \$ 2,718,995 | \$ 2,775,245 | 38 |
| | D. Long-Term Liabilities | | | |
| 39 | Long-Term Notes Payable | | 243,750 | 39 |
| 40 | Mortgage Payable | | | 40 |
| 41 | Bonds Payable | | | 41 |
| 42 | Deferred Compensation | | | 42 |
| | Other Long-Term Liabilities(specify): | | | |
| 43 | | | | 43 |
| 44 | | | | 44 |
| 45 | TOTAL Long-Term Liabilities (sum of lines 39 thru 44) | \$ | \$ 243,750 | 45 |
| 46 | TOTAL LIABILITIES (sum of lines 38 and 45) | \$ 2,718,995 | \$ 3,018,995 | 46 |
| 47 | TOTAL EQUITY (page 18, line 24) | \$ 440,302 | \$ 534,270 | 47 |
| 48 | TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47) | \$ 3,159,297 | \$ 3,553,265 | 48 |

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Claremont Rehab & Living Center
PROVIDER #0047043
12/31/2005

Schedule 17A

XV. BALANCE SHEET - Unrestricted Operating Fund.

A. Current Assets

| Other Current Assets (specify): | Operating | After Consolidation |
|---|----------------|------------------------|
| Option | | 550,000 |
| Due from Related Party | 258,654 | |
| Total Line 9 - Other Current Assets (specify): | 258,654 | 550,000 |

C. Current Liabilities

| Other Current Liabilities (specify): | Operating | After Consolidation |
|---|----------------|------------------------|
| Due to Related Party | | |
| Accrued Expenses | 108,751 | 108,751 |
| Accrued Utilities | 14,566 | 14,566 |
| Wage Assigned Payable | (113) | (113) |
| 401 K Exchange | 68 | 68 |
| Due to Prior Owner | 47,794 | 47,794 |
| Due Nuvision | 20,973 | 20,973 |
| Resident Credit Balances | 70,460 | 70,460 |
| Total Line 36 - Other Current Liabilities (specify): | 262,499 | 262,499 |

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

| | | 1 Total | |
|-----------|---|--------------------|-------------|
| 1 | Balance at Beginning of Year, as Previously Reported | \$ | 1 |
| 2 | Restatements (describe): | | 2 |
| 3 | | | 3 |
| 4 | | | 4 |
| 5 | | | 5 |
| 6 | Balance at Beginning of Year, as Restated (sum of lines 1-5) | \$ | 6 |
| | A. Additions (deductions): | | |
| 7 | NET Income (Loss) (from page 19, line 43) | 200,302 | 7 |
| 8 | Aquisitions of Pooled Companies | | 8 |
| 9 | Proceeds from Sale of Stock | | 9 |
| 10 | Stock Options Exercised | | 10 |
| 11 | Contributions and Grants | | 11 |
| 12 | Expenditures for Specific Purposes | | 12 |
| 13 | Dividends Paid or Other Distributions to Owners | () | 13 |
| 14 | Donated Property, Plant, and Equipment | | 14 |
| 15 | Other (describe) Members' Contribution | 240,000 | 15 |
| 16 | Other (describe) | | 16 |
| 17 | TOTAL Additions (deductions) (sum of lines 7-16) | \$ 440,302 | 17 |
| | B. Transfers (Itemize): | | |
| 18 | | | 18 |
| 19 | | | 19 |
| 20 | | | 20 |
| 21 | | | 21 |
| 22 | | | 22 |
| 23 | TOTAL Transfers (sum of lines 18-22) | \$ | 23 |
| 24 | BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23) | \$ 440,302 | 24 * |

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 19

Facility Name & ID Number Claremont Rehab & Living Center

0039842

Report Period Beginning: 3/1/2005

Ending: 12/31/2005

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached

Note: This schedule should show gross revenue and expenses. Do not net revenue against expenses

| 1 | | | |
|-----|---|---------------|-----|
| | Revenue | Amount | |
| | A. Inpatient Care | | |
| 1 | Gross Revenue -- All Levels of Care | \$ 9,959,968 | 1 |
| 2 | Discounts and Allowances for all Levels | (3,332,064) | 2 |
| 3 | SUBTOTAL Inpatient Care (line 1 minus line 2) | \$ 6,627,904 | 3 |
| | B. Ancillary Revenue | | |
| 4 | Day Care | | 4 |
| 5 | Other Care for Outpatients | | 5 |
| 6 | Therapy | 2,375,956 | 6 |
| 7 | Oxygen | | 7 |
| 8 | SUBTOTAL Ancillary Revenue (lines 4 thru 7) | \$ 2,375,956 | 8 |
| | C. Other Operating Revenue | | |
| 9 | Payments for Education | | 9 |
| 10 | Other Government Grants | | 10 |
| 11 | CNA Training Reimbursement | | 11 |
| 12 | Gift and Coffee Shop | 480 | 12 |
| 13 | Barber and Beauty Care | | 13 |
| 14 | Non-Patient Meals | 319 | 14 |
| 15 | Telephone, Television and Radio | | 15 |
| 16 | Rental of Facility Space | | 16 |
| 17 | Sale of Drugs | 955,116 | 17 |
| 18 | Sale of Supplies to Non-Patient | | 18 |
| 19 | Laboratory | 69,899 | 19 |
| 20 | Radiology and X-Ray | 23,310 | 20 |
| 21 | Other Medical Services | 161,778 | 21 |
| 22 | Laundry | | 22 |
| 23 | SUBTOTAL Other Operating Revenue (lines 9 thru 22) | \$ 1,210,902 | 23 |
| | D. Non-Operating Revenue | | |
| 24 | Contributions | | 24 |
| 25 | Interest and Other Investment Income** | 282 | 25 |
| 26 | SUBTOTAL Non-Operating Revenue (lines 24 and 25) | \$ 282 | 26 |
| | E. Other Revenue (specify):**** | | |
| 27 | Settlement Income (Insurance, Legal, Etc.) | | 27 |
| 28 | <u>See Attached Sch19a</u> | 2,946 | 28 |
| 28a | | | 28a |
| 29 | SUBTOTAL Other Revenue (lines 27, 28 and 28a) | \$ 2,946 | 29 |
| 30 | TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29) | \$ 10,217,990 | 30 |

| 2 | | | |
|----|--|---------------|----|
| | Expenses | Amount | |
| | A. Operating Expenses | | |
| 31 | General Services | 1,392,440 | 31 |
| 32 | Health Care | 4,445,847 | 32 |
| 33 | General Administration | 1,694,336 | 33 |
| | B. Capital Expense | | |
| 34 | Ownership | 1,328,745 | 34 |
| | C. Ancillary Expense | | |
| 35 | Special Cost Centers | 1,064,820 | 35 |
| 36 | Provider Participation Fee | 91,500 | 36 |
| | D. Other Expenses (specify): | | |
| 37 | | | 37 |
| 38 | | | 38 |
| 39 | | | 39 |
| 40 | TOTAL EXPENSES (sum of lines 31 thru 39)* | \$ 10,017,688 | 40 |
| 41 | Income before Income Taxes (line 30 minus line 40)** | 200,302 | 41 |
| 42 | Income Taxes | | 42 |
| 43 | NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42) | \$ 200,302 | 43 |

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity is a cash basis taxpayer.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

FACILITY NAME: Claremont Extended Healthcare, LLC

PROVIDER # 0047043

12/31/2005

Schedule 19A

XVII. INCOME STATEMENT

Revenue

| <u>E. Other Revenue (specify):</u> | <u>Amount</u> |
|---|----------------------------|
| Miscellaneous income | 2,933 |
| Patient transportation | 13 |
| | <hr/> |
| Total Line 28 - Other Revenue (specify): | <u><u>2,946</u></u> |

See Accountants' Compilation Report

Facility Name & ID Number Claremont Rehab & Living Center# 0039842Report Period Beginning: 3/1/2005Ending: 12/31/2005

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

| | | 1 | 2** | 3 | 4 | |
|----|-------------------------------------|---------------------------------|----------------------------------|--|---------------------------|----|
| | | # of Hrs. Actually Worked | # of Hrs. Paid and Accrued | Reporting Period Total Salaries, Wages | Average Hourly Wage | |
| 1 | Director of Nursing | 1,520 | 1,680 | \$ 60,748 | \$ 36.16 | 1 |
| 2 | Assistant Director of Nursing | 1,144 | 1,440 | 36,250 | 25.17 | 2 |
| 3 | Registered Nurses | 45,026 | 47,172 | 1,263,929 | 26.79 | 3 |
| 4 | Licensed Practical Nurses | 11,805 | 12,178 | 307,661 | 25.26 | 4 |
| 5 | CNAs & Orderlies | 101,793 | 110,239 | 1,246,123 | 11.30 | 5 |
| 6 | CNA Trainees | | | | | 6 |
| 7 | Licensed Therapist | 14,049 | 15,273 | 457,143 | 29.93 | 7 |
| 8 | Rehab/Therapy Aides | | | | | 8 |
| 9 | Activity Director | | | | | 9 |
| 10 | Activity Assistants | 12,021 | 12,623 | 122,175 | 9.68 | 10 |
| 11 | Social Service Worker | 3,148 | 3,371 | 47,493 | 14.09 | 11 |
| 12 | Dietician | | | | | 12 |
| 13 | Food Service Supervisor | | | | | 13 |
| 14 | Head Cook | 3,897 | 3,992 | 83,985 | 21.04 | 14 |
| 15 | Cook Helpers/Assistants | 26,547 | 27,634 | 225,499 | 8.16 | 15 |
| 16 | Dishwashers | | | | | 16 |
| 17 | Maintenance Worker | 4,307 | 4,451 | 70,922 | 15.93 | 17 |
| 18 | Housekeepers | 23,157 | 24,848 | 204,128 | 8.22 | 18 |
| 19 | Laundry | 3,854 | 4,143 | 33,228 | 8.02 | 19 |
| 20 | Administrator | 1,718 | 1,803 | 90,134 | 49.99 | 20 |
| 21 | Assistant Administrator | | | | | 21 |
| 22 | Other Administrative | | | | | 22 |
| 23 | Office Manager | | | | | 23 |
| 24 | Clerical | 13,124 | 13,883 | 227,757 | 16.41 | 24 |
| 25 | Vocational Instruction | | | | | 25 |
| 26 | Academic Instruction | | | | | 26 |
| 27 | Medical Director | | | | | 27 |
| 28 | Qualified MR Prof. (QMRP) | | | | | 28 |
| 29 | Resident Services Coordinator | | | | | 29 |
| 30 | Habilitation Aides (DD Homes) | | | | | 30 |
| 31 | Medical Records | 2,286 | 2,467 | 32,903 | 13.34 | 31 |
| 32 | Other Health C: <u>See Sch. 20A</u> | 17,914 | 20,106 | 393,270 | 19.56 | 32 |
| 33 | Other(specify) _____ | | | | | 33 |
| 34 | TOTAL (lines 1 - 33) | 287,310 | 307,303 | \$ 4,903,348 * | \$ 15.96 | 34 |

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

| | | 1 | 2 | 3 | |
|----|--|--|---|---|----|
| | | Number of Hrs. Paid & Accrued | Total Consultant Cost for Reporting Period | Schedule V Line & Column Reference | |
| 35 | Dietary Consultant | 251 | \$ 11,733 | L1, C3 | 35 |
| 36 | Medical Director | Monthly | 40,000 | L9, C3 | 36 |
| 37 | Medical Records Consultant | 217 | 4,106 | L10, C3 | 37 |
| 38 | Nurse Consultant | 288 | 5,760 | L10, C3 | 38 |
| 39 | Pharmacist Consultant | Monthly | 3,000 | L10, C3 | 39 |
| 40 | Physical Therapy Consultant | | | | 40 |
| 41 | Occupational Therapy Consultant | | | | 41 |
| 42 | Respiratory Therapy Consultant | | | | 42 |
| 43 | Speech Therapy Consultant | Monthly | 6,135 | L10A, C3 | 43 |
| 44 | Activity Consultant | 58 | 3,105 | L11, C3 | 44 |
| 45 | Social Service Consultant | 42 | 2,268 | L12, C3 | 45 |
| 46 | Other(specify) <u>Medical Consultant</u> | Monthly | 19,000 | L10, C3 | 46 |
| 47 | <u>Therapy Consultant</u> | 25 | 1,718 | L10A, C3 | 47 |
| 48 | | | | | 48 |
| 49 | TOTAL (lines 35 - 48) | 881 | \$ 96,825 | | 49 |

C. CONTRACT NURSES

| | | 1 | 2 | 3 | |
|----|----------------------------------|--|----------------------------|---|----|
| | | Number of Hrs. Paid & Accrued | Total Contract Wages | Schedule V Line & Column Reference | |
| 50 | Registered Nurses | | \$ | | 50 |
| 51 | Licensed Practical Nurses | | | | 51 |
| 52 | Certified Nurse Assistants/Aides | | | | 52 |
| 53 | TOTAL (lines 50 - 52) | | \$ | | 53 |

SEE ACCOUNTANTS' COMPILATION REPORT

Claremont Rehab & Living Center

Provider #: 0039842
3/1/2005 to **12/31/2005**

Schedule 20A

XVIII. STAFFING AND SALARY COSTS

| | Hours Worked | Hours Paid | Salary | Avg Hr Wage | Cost Report Line |
|--|-------------------------|-----------------------|-------------------|------------------------|---------------------------------|
| Rehab Nurses | 6,802 | 7983 | 107,654 | \$ 13.49 | 10 |
| Specialty Nurses | 1,392 | 1520 | 31,548 | \$ 20.76 | 10 |
| Care Plan Coordinator | 7,122 | 7,915 | 184,774 | \$ 23.34 | 10 |
| Case Manager | 1,592 | 1,680 | 46,849 | \$ 27.89 | 10 |
| Outpatient Director | 1,006 | 1,008 | 22,445 | \$ 22.27 | 10 |
| <hr/> | | | | | |
| Total Line 32 - Other Health Care | 17,914 | 20,106 | \$ 393,270 | \$ 19.56 | |

See Accountants' Compilation Report

| A. Administrative Salaries | | | | D. Employee Benefits and Payroll Taxes | | | F. Dues, Fees, Subscriptions and Promotions | |
|--|--|-------------|------------|--|------------|--------|---|----------|
| Name | Function | Ownership % | Amount | Description | Amount | | Description | Amount |
| Lawrence Putz | Administrator | 0 | \$ 90,134 | Workers' Compensation Insurance | \$ 78,162 | | IDPH License Fee | \$ |
| | | | | Unemployment Compensation Insurance | | | Advertising: Employee Recruitment | 36,217 |
| | | | | FICA Taxes | 443,295 | | Health Care Worker Background Check | |
| | | | | Employee Health Insurance | 84,113 | | (Indicate # of checks performed <u>91</u>) | 1,456 |
| | | | | Employee Meals | 13,717 | | Business License | 400 |
| | | | | Illinois Municipal Retirement Fund (IMRF)* | | | IHCA Dues | 9,200 |
| | | | | Miscellaneous Employee Benefits | 4,511 | | Misc. Dues | 771 |
| | | | | Life Insurance | 5,230 | | Misc. Subscriptions | 324 |
| | | | | 401(K) | 9,673 | | Misc. Licenses & Inspections | 628 |
| | | | | Employee Physicals | 3,276 | | Allocation from management company | 1,379 |
| | | | | Employee Awards | 11,489 | | Less: Public Relations Expense | () |
| | | | | | | | Non-allowable advertising | () |
| | | | | | | | Yellow page advertising | () |
| TOTAL (agree to Schedule V, line 17, col. 1) | | | | | | | TOTAL (agree to Sch. V, line 20, col. 8) | |
| (List each licensed administrator separately.) | | | | | \$ 653,466 | | \$ 50,375 | |
| B. Administrative - Other | | | | E. Schedule of Non-Cash Compensation Paid to Owners or Employees | | | G. Schedule of Travel and Seminar** | |
| | Description | | Amount | Description | Line # | Amount | Description | Amount |
| | Management Fees (eliminated in column 7) | | \$ 300,000 | | | | Out-of-State Travel | \$ |
| | | | | | | | | |
| | | | | | | | In-State Travel | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | Seminar Expense | 6,505 |
| | | | | | | | Allocation from management company | 469 |
| | | | | | | | Entertainment Expense | () |
| | | | | | | | (agree to Sch. V, line 24, col. 8) | |
| TOTAL (agree to Schedule V, line 17, col. 3) | | | | TOTAL | | \$ | TOTAL | \$ 6,974 |
| (Attach a copy of any management service agreement) | | | | | | | | |
| C. Professional Services | | | | | | | | |
| Vendor/Payee | Type | | Amount | | | | | |
| RSM McGladrey, Inc. | Accounting | | \$ 4,250 | | | | | |
| Altschuler Melvoin & Glasser | Accounting | | 15,750 | | | | | |
| Sachnoff & Weaver, LTD | Legal | | 54,155 | | | | | |
| McGuire Woods LLP | Legal | | 26,000 | N/A | | | | |
| Klein Dub & Holleb | Legal | | 4,038 | | | | | |
| Stone, McGuire, & Siegel | Legal | | 10,438 | | | | | |
| Ober, Kaler, Grimes, Shive | Legal | | 94 | | | | | |
| Personnel Planners, Inc. | Consulting | | 1,468 | | | | | |
| Achieve Accreditation | Consulting | | 5,560 | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL (agree to Schedule V, line 19, column 3) | | | | | | | | |
| (If total legal fees exceed \$2500 attach copy of invoices.) | | | | | | | | |
| | | | \$ 121,753 | | | | | |

* Attach copy of IMRF notifications
 SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Claremont Rehab & Living Center
Provider #: 0039842
3/1/2005 to 12/31/2005

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

| | |
|--|----------------|
| Total (agree to Schedule V, line 19, column 3) | <u>121,753</u> |
|--|----------------|

Allocation from Management Company

| | |
|---------------------------|------------|
| Professional Fees - other | <u>250</u> |
|---------------------------|------------|

Allocation from Management Company

| | |
|-----------------|--------------|
| Legal Fees | 141 |
| Accounting Fees | <u>2,357</u> |
| | <u>2,498</u> |

Non-Allowable Legal Fees

| | |
|------------------------|-----------------|
| Sachnoff & Weaver, LTD | (50,300) |
| McGuire Woods LLP | <u>(26,000)</u> |
| | <u>(76,300)</u> |

| | |
|--|----------------------|
| Total (agree to Schedule V, line 19, column 8) | <u><u>48,201</u></u> |
|--|----------------------|

SEE ACCOUNTANTS' COMPILATION REPORT

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
 (See instructions.)

| | 1 Improvement Type | 2 Month & Year Improvement Was Made | 3 Total Cost | 4 Useful Life | 5 6 7 8 9 10 11 12 13 Amount of Expense Amortized Per Year | | | | | | | | |
|----|--------------------------|--|-----------------|---------------------|---|--------|--------|--------|--------|--------|--------|--------|--------|
| | | | | | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 |
| 1 | | | \$ | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2 | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | |
| 8 | | | | | | | | N/A | | | | | |
| 9 | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | |
| 16 | | | | | | | | | | | | | |
| 17 | | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | | |
| 19 | | | | | | | | | | | | | |
| 20 | TOTALS | | \$ | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Claremont Rehab & Living Center

0039842

Report Period Beginning: 3/1/2005

Ending: 12/31/2005

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount IHCA \$9,200
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 50,931 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 91,500
This amount is to be recorded on line 42 of Schedule V
- (12) Are there any salary costs which have been allocated to more than one line on Schedule for an individual employee? No If YES, attach an explanation of the allocation

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services if the patient census listed on page 2, Section B No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these function
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 13,717 Has any meal income been offset against related costs? Yes Indicate the amount \$ 799
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel No
If YES, attach a complete explanation
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? N/A
d. Have vehicle usage logs been maintained Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? No
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees

RECONCILIATION REPORT

10:28 AM 5/16/2006

| ITEM | Value 1 | Cond. | Value 2 | Difference | RESULTS | COMPARE CEL | SUB-SCHED. | LINE NO. | COL. NO. | WITH CELL | SUB-SCHED. | LINE NO. | COL. NO. |
|--------------------------------------|-----------|-----------|-----------|------------|---------|-----------------|------------|------------------|----------|-----------------|------------|-----------|----------|
| Adjustment Detail | -415,784 | equal to | -415,784 | 0 | O.K. | Pg5 Z22 | B. | 37 | 1 | Pg4 K29 | N/A | 45 | 7 |
| Interest Expense | 74,150 | equal to | 74,150 | 0 | O.K. | Pg9 P34 | A. | 15 | 10 | Pg4 L13 | N/A | 32 | 8 |
| Real Estate Tax Expenses | 225,949 | equal to | 225,949 | 0 | O.K. | Pg10 W24 | B. | 5 | N/A | Pg4 L14 | N/A | 33 | 8 |
| Amortization exp. Pre-opening & org. | N/A | equal to | 0 | #VALUE! | #VALUE! | Pg11 I33 | E. | 3 | N/A | Pg4 L12 | N/A | 31 | 8 |
| Ownership Costs-Depreciation | 13,420 | equal to | 13,420 | 0 | FAILED | Pg13 Y28 | E. | 49 | 2 | Pg4 L11 | N/A | 30 | 8 |
| Rental Costs A | 1,025,402 | equal to | 1,025,402 | 0 | O.K. | Pg14 L20+N22 | A. | 7 + 8 | 4+N/A | Pg4 L15 | N/A | 34 | 8 |
| Rental Costs B | 22,158 | equal to | 22,158 | 0 | O.K. | Pg14 J30+N40 | B.+ C. | 16+21 | N/A+4 | Pg4 L16 | N/A | 35 | 8 |
| Nurse Aid Training Prog. | 0 | equal to | 0 | 0 | O.K. | Pg15 L36 | B. | 10 | 1 | Pg3 L23 | N/A | 13 | 8 |
| Special Serv.- Staff Wages | 457,143 | equal to | 0 | 0 | O.K. | Pg16 N32 | N/A | 14 | 3 | Pg4 E22 | N/A | 39 | 1 |
| Therapy Services | 688,106 | equal to | 689,824 | -1,718 | FAILED | Pg16 Z12+Z14. | N/A.B | 1-4;40-43 | 8;2 | Pg3 H20 | N/A | 10a | 4 |
| Special Serv.- Supplies | 828,193 | equal to | 828,193 | 0 | O.K. | Pg16 V32 | N/A | 14 | 6 | Pg4 F22 + Pg 3 | N/A | 39,10a | 2 |
| Income Stat. General Serv. | 1,392,440 | equal to | 1,392,440 | 0 | O.K. | Pg19 P11 | N/A | 31 | 2 | Pg3 H16 | N/A | 8 | 4 |
| Income Stat. Health Care | 4,445,847 | equal to | 4,445,847 | 0 | O.K. | Pg19 P12 | N/A | 32 | 2 | Pg3 H26 | N/A | 16 | 4 |
| Income Stat. Administration | 1,694,336 | equal to | 1,694,336 | 0 | O.K. | Pg19 P13 | N/A | 33 | 2 | Pg3 H39 | N/A | 28 | 4 |
| Income Stat. Ownership | 1,328,745 | equal to | 1,328,745 | 0 | O.K. | Pg19 P15 | N/A | 34 | 2 | Pg4 H18 | N/A | 37 | 4 |
| Income Stat. Special Cost Ctr | 1,064,820 | equal to | 1,064,820 | 0 | O.K. | Pg19 P17 | N/A | 35 | 2 | Pg4 H21..H24+I | N/A | 38to41+43 | 4 |
| Income Stat. Prov. Partic. | 91,500 | equal to | 91,500 | 0 | O.K. | Pg19 P18 | N/A | 36 | 2 | Pg4 H25 | N/A | 42 | 4 |
| Staff- Nursing | 2,947,614 | equal to | 3,340,884 | -393,270 | FAILED | Pg20 K11..K15+ | A. | 1-5,24,25,27-30 | 3 | Pg3 E19 | N/A | 10 | 1 |
| Staff- Nurse aide Training | 0 | < or = to | 0 | 0 | O.K. | Pg20 K16 | A. | 6 | 3 | Pg3 E23 | N/A | 13 | 1 |
| Staff-Licensed Therapist | 457,143 | equal to | 0 | 0 | O.K. | Pg20 K17 | A. | 7 | 3 | Pg4 E22 | N/A | 39 | 1 |
| Staff- Activities | 122,175 | equal to | 122,175 | 0 | O.K. | Pg20 K19+K20 | A. | 9+10 | 3 | Pg3 E21 | N/A | 11 | 1 |
| Staff- Social Serv. Workers | 47,493 | equal to | 47,493 | 0 | O.K. | Pg20 K21 | A. | 11 | 3 | Pg3 E22 | N/A | 12 | 1 |
| Staff- Dietary | 309,484 | equal to | 309,484 | 0 | O.K. | Pg20 K22..K26 | A. | 16-Dec | 3 | Pg3 E9 | N/A | 1 | 1 |
| Staff- Maintenance | 70,922 | equal to | 70,922 | 0 | O.K. | Pg20 K27 | A. | 17 | 3 | Pg3 E14 | N/A | 6 | 1 |
| Staff- Housekeeping | 204,128 | equal to | 204,128 | 0 | O.K. | Pg20 K28 | A. | 18 | 3 | Pg3 E11 | N/A | 3 | 1 |
| Staff- Laundry | 33,228 | equal to | 33,228 | 0 | O.K. | Pg20 K29 | A. | 19 | 3 | Pg3 E12 | N/A | 4 | 1 |
| Staff- Administrative | 90,134 | equal to | 90,134 | 0 | O.K. | Pg20 K30..K32 | A. | 20-22 | 3 | Pg3 E28 | N/A | 17 | 1 |
| Staff- Clerical | 227,757 | equal to | 227,757 | 0 | O.K. | Pg20 K33..K34 | A. | 23+24 | 3 | Pg3 E32 | N/A | 21 | 1 |
| Staff- Medical Director | 0 | equal to | 0 | 0 | O.K. | Pg20 K37 | A. | 27 | 3 | Pg3 E18 | N/A | 9 | 1 |
| Total Salaries And Wages | 4,903,348 | equal to | 4,903,348 | 0 | O.K. | Pg20 K44 | A. | 34 | 3 | Pg4 E29 | N/A | 45 | 1 |
| Dietary Consultant | 11,733 | < or = to | 11,733 | 0 | O.K. | Pg20 X12 | B. | 35 | 2 | Pg3 G9 | N/A | 1 | 3 |
| Medical Director | 40,000 | < or = to | 40,000 | 0 | O.K. | Pg20 X13 | B. | 36 | 2 | Pg3 G18 | N/A | 9 | 3 |
| Consultants & contractors | 12,866 | < or = to | 31,866 | -19,000 | O.K. | Pg20 X14..X16+ | B. & C. | 17to39 and 50to5 | 2 | Pg3 G19 | N/A | 10 | 3 |
| Activity Consultant | 3,105 | < or = to | 3,105 | 0 | O.K. | Pg20 X21 | B. | 44 | 2 | Pg3 G21 | N/A | 11 | 3 |
| Social Service Consultant | 2,268 | < or = to | 2,268 | 0 | O.K. | Pg20 X22 | B. | 45 | 2 | Pg3 G22 | N/A | 12 | 3 |
| Supp. Sched.- Admin. Salar. | 90,134 | equal to | 90,134 | 0 | O.K. | Pg21 I16 | A. | N/A | N/A | Pg3 E28 | N/A | 17 | 1 |
| Supp. Sched.- Admin. Other | 300,000 | equal to | 300,000 | 0 | O.K. | Pg21 I24 | B. | N/A | N/A | Pg3 G28 | N/A | 17 | 3 |
| Supp. Sched.- Prof. Serv. | 121,753 | equal to | 121,753 | 0 | O.K. | Pg21 I41 | C. | N/A | N/A | Pg3 G30 | N/A | 19 | 3 |
| Supp. Sched.- Benefit/Taxes | 653,466 | equal to | 653,466 | 0 | O.K. | Pg21 P22 | D. | N/A | N/A | Pg3 L33 | N/A | 22 | 8 |
| Supp. Sched.- Sched of dues.. | 50,375 | equal to | 50,375 | 0 | O.K. | Pg21 V22 | F. | N/A | N/A | Pg3 L31 | N/A | 20 | 8 |
| Supp. Sched.- Sched. of trav | 6,974 | equal to | 6,974 | 0 | O.K. | Pg21 V41 | G. | N/A | N/A | Pg3 L35 | N/A | 24 | 8 |
| Gen. Info - Particp. Fees | 91,500 | equal to | 91,500 | 0 | O.K. | Pg23 I38 | N/A | 11 | N/A | Pg4 G25 | N/A | 42 | 3 |
| Gen. Info - Employee Meals | 13,717 | < or = to | 11,582 | 2,135 | FAILED | Pg23 S16 | N/A | 16 | N/A | Pg3 K33 | N/A | 2 & 22 | 7 |
| Gen. Info - Employee Meals | 13,717 | equal to | 13,717 | 0 | O.K. | Pg23 S16 | N/A | 16 | N/A | Pg21 P12 | D. | N/A | N/A |
| Nurse aide training | 0 | equal to | 0 | 0 | O.K. | Pg15 U29..U31 | B. | 3, 4 & 5 | 4 | Pg3 E23 | N/A | 13 | 1 |
| Days of medicare provided | 12,725 | equal to | 12,725 | 0 | O.K. | Pg2 AB29 | K. | N/A | N/A | Pg2 J30 | B. | 8 | 4 |
| Adjustment for related org. costs | -81,047 | equal to | -81,047 | 0 | O.K. | Pg5 Z18 | B. | 34 | 1 | Pg6 to Pg 6I Y4 | B. | 14 | 8 |
| Total loan balance | 1,650,000 | equal to | 1,650,000 | 0 | O.K. | Pg9 L34 | A. | 15 | 7 | Pg17 V13+V27. | N/A | 29+39-41 | 2 |
| Real estate tax accrual | 0 | equal to | 0 | 0 | O.K. | Pg10 W15 | B. | 4 | N/A | Pg17 V17 | N/A | 32 | 2 |
| Land | 5,271 | equal to | 5,271 | 0 | O.K. | Pg11 T43 | A. | 3 | 4 | Pg17 K25 | N/A | 13 | 2 |
| Building cost | 179,063 | equal to | 179,063 | 0 | O.K. | Pg12 to 12I L43 | B. | 36 | 4 | Pg17 K26+K27 | N/A | 14 & 15 | 2 |
| Equipment and vehicle cost | 144,637 | equal to | 144,637 | 0 | O.K. | Pg13 O22+L13 | C. & D. | 41 + 46 | 1 + 4 | Pg17 K28 | N/A | 16 | 2 |
| Accumulated depr. | 29,810 | equal to | 29,810 | 0 | FAILED | Pg13 Y30 | E. | 51 | 2 | Pg17 K29 | N/A | 17 | 2 |
| End of year equity | 440,302 | equal to | 440,302 | 0 | O.K. | Pg18 I33 | N/A | 24 | 1 | Pg17 S39 | N/A | 47 | 1 |
| Net income (loss) | 200,302 | equal to | 200,302 | 0 | O.K. | Pg18 I15 | N/A | 7 | 1 | Pg19 P30 | N/A | 43 | 2 |
| Unamortized deferred maint. cost | 0 | equal to | 0 | 0 | O.K. | Pg22 F31-J31..I | H. | 20 | 3 | Pg17 K30 | N/A | 18 | 2 |
| Balance Sheet | 3,159,297 | equal to | 3,159,297 | 0 | O.K. | Pg17:H41 | | 25 | 1 | Pg17 S41 | N/A | 48 | 1 |

Claremont Rehab & Living Center
IDPA Comparative Data - Per Resident Day Cost
Year Ending 12/31/2005

Enter your HSA # in next column
Census (Pulls from Page 2)

1

51,554

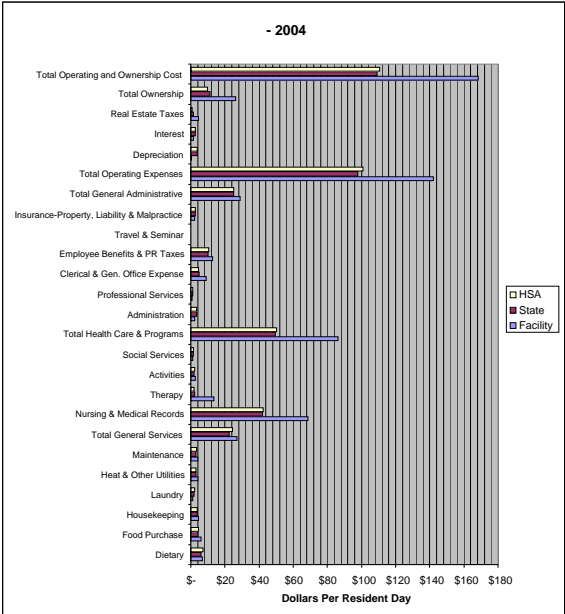
| Cost Report Line | Description | Average Median Cost Per Day | | HSA | IDPA LTC Profiles | | | | | | | | | | | LTC Median Per Diem Cost by HSA - 2003 Cost Reports | | UN-INFLATED | | | |
|------------------|---|-----------------------------|--------|--------|---|---|------------|--------|--------|-------|--------|-------|--------|--------|--------|---|--------|-------------|-------|--------|--------|
| | | Your Facility | State | | 2003 (Run June 1, 2004) | | | | | | | | | | | | | | | | |
| 1 | Dietary | 6.93 | 6.01 | 7.02 | Cost Report Line | Description | State-Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | 10th % | 90th % |
| 2 | Food Purchase | 5.83 | 4.31 | 4.47 | 1 <td>Dietary</td> <td>6.01</td> <td>7.02</td> <td>6.48</td> <td>5.50</td> <td>6.48</td> <td>5.48</td> <td>6.06</td> <td>6.06</td> <td>6.06</td> <td>5.60</td> <td>7.02</td> <td>5.70</td> <td>4.13</td> <td>9.81</td> | Dietary | 6.01 | 7.02 | 6.48 | 5.50 | 6.48 | 5.48 | 6.06 | 6.06 | 6.06 | 5.60 | 7.02 | 5.70 | 4.13 | 9.81 | |
| 3 | Housekeeping | 4.65 | 3.70 | 3.59 | 2 <td>Food Purchase</td> <td>4.31</td> <td>4.47</td> <td>4.40</td> <td>4.27</td> <td>4.40</td> <td>3.99</td> <td>4.31</td> <td>4.31</td> <td>4.31</td> <td>4.28</td> <td>4.47</td> <td>4.11</td> <td>3.36</td> <td>6.04</td> | Food Purchase | 4.31 | 4.47 | 4.40 | 4.27 | 4.40 | 3.99 | 4.31 | 4.31 | 4.31 | 4.28 | 4.47 | 4.11 | 3.36 | 6.04 | |
| 4 | Laundry | 1.14 | 1.85 | 2.23 | 3 <td>Housekeeping</td> <td>3.70</td> <td>3.59</td> <td>3.68</td> <td>2.91</td> <td>3.68</td> <td>3.40</td> <td>4.05</td> <td>4.05</td> <td>4.05</td> <td>3.97</td> <td>3.59</td> <td>3.61</td> <td>2.48</td> <td>5.80</td> | Housekeeping | 3.70 | 3.59 | 3.68 | 2.91 | 3.68 | 3.40 | 4.05 | 4.05 | 4.05 | 3.97 | 3.59 | 3.61 | 2.48 | 5.80 | |
| 5 | Heat & Other Utilities | 4.01 | 2.95 | 3.17 | 4 <td>Laundry</td> <td>1.85</td> <td>2.23</td> <td>1.90</td> <td>1.79</td> <td>1.90</td> <td>2.10</td> <td>1.59</td> <td>1.59</td> <td>1.59</td> <td>1.69</td> <td>2.23</td> <td>2.13</td> <td>0.91</td> <td>3.14</td> | Laundry | 1.85 | 2.23 | 1.90 | 1.79 | 1.90 | 2.10 | 1.59 | 1.59 | 1.59 | 1.69 | 2.23 | 2.13 | 0.91 | 3.14 | |
| 6 | Maintenance | 4.28 | 3.01 | 3.26 | 5 <td>Heat & Other Utilities</td> <td>2.95</td> <td>3.17</td> <td>2.93</td> <td>2.94</td> <td>2.93</td> <td>2.71</td> <td>2.93</td> <td>2.93</td> <td>2.93</td> <td>2.91</td> <td>3.17</td> <td>2.95</td> <td>2.05</td> <td>4.25</td> | Heat & Other Utilities | 2.95 | 3.17 | 2.93 | 2.94 | 2.93 | 2.71 | 2.93 | 2.93 | 2.93 | 2.91 | 3.17 | 2.95 | 2.05 | 4.25 | |
| 8 | Total General Services | 26.83 | 22.58 | 24.49 | 6 <td>Maintenance</td> <td>3.01</td> <td>3.26</td> <td>3.03</td> <td>2.99</td> <td>3.03</td> <td>2.55</td> <td>3.21</td> <td>3.21</td> <td>3.21</td> <td>3.05</td> <td>3.26</td> <td>2.82</td> <td>1.92</td> <td>5.12</td> | Maintenance | 3.01 | 3.26 | 3.03 | 2.99 | 3.03 | 2.55 | 3.21 | 3.21 | 3.21 | 3.05 | 3.26 | 2.82 | 1.92 | 5.12 | |
| 10 | Nursing & Medical Records | 68.46 | 41.83 | 42.52 | 8 <td>TOTAL GENERAL SERVICES</td> <td>22.58</td> <td>24.49</td> <td>22.99</td> <td>21.14</td> <td>22.99</td> <td>21.47</td> <td>22.65</td> <td>22.65</td> <td>22.65</td> <td>22.45</td> <td>24.49</td> <td>21.73</td> <td>17.57</td> <td>31.51</td> | TOTAL GENERAL SERVICES | 22.58 | 24.49 | 22.99 | 21.14 | 22.99 | 21.47 | 22.65 | 22.65 | 22.65 | 22.45 | 24.49 | 21.73 | 17.57 | 31.51 | |
| 10A | Therapy | 13.38 | 2.10 | 1.86 | 10 <td>Nursing & Medical Records</td> <td>41.83</td> <td>42.52</td> <td>43.12</td> <td>38.37</td> <td>43.12</td> <td>33.78</td> <td>45.12</td> <td>45.12</td> <td>45.12</td> <td>47.22</td> <td>42.52</td> <td>42.15</td> <td>27.25</td> <td>64.47</td> | Nursing & Medical Records | 41.83 | 42.52 | 43.12 | 38.37 | 43.12 | 33.78 | 45.12 | 45.12 | 45.12 | 47.22 | 42.52 | 42.15 | 27.25 | 64.47 | |
| 11 | Activities | 2.66 | 1.91 | 2.18 | 10A <td>Therapy</td> <td>2.10</td> <td>1.86</td> <td>2.69</td> <td>3.34</td> <td>2.69</td> <td>3.47</td> <td>1.45</td> <td>1.45</td> <td>1.45</td> <td>2.41</td> <td>1.86</td> <td>2.24</td> <td>-</td> <td>10.55</td> | Therapy | 2.10 | 1.86 | 2.69 | 3.34 | 2.69 | 3.47 | 1.45 | 1.45 | 1.45 | 2.41 | 1.86 | 2.24 | - | 10.55 | |
| 12 | Social Services | 0.97 | 1.42 | 1.45 | 11 <td>Activities</td> <td>1.91</td> <td>2.18</td> <td>1.92</td> <td>1.61</td> <td>1.92</td> <td>1.48</td> <td>2.16</td> <td>2.16</td> <td>2.16</td> <td>2.05</td> <td>2.18</td> <td>1.54</td> <td>1.06</td> <td>3.45</td> | Activities | 1.91 | 2.18 | 1.92 | 1.61 | 1.92 | 1.48 | 2.16 | 2.16 | 2.16 | 2.05 | 2.18 | 1.54 | 1.06 | 3.45 | |
| 16 | Total Health Care & Programs | 86.24 | 49.48 | 50.39 | 12 <td>Social Services</td> <td>1.45</td> <td>1.45</td> <td>1.64</td> <td>1.05</td> <td>1.64</td> <td>1.09</td> <td>1.60</td> <td>1.60</td> <td>1.60</td> <td>1.12</td> <td>1.45</td> <td>1.27</td> <td>0.58</td> <td>3.00</td> | Social Services | 1.45 | 1.45 | 1.64 | 1.05 | 1.64 | 1.09 | 1.60 | 1.60 | 1.60 | 1.12 | 1.45 | 1.27 | 0.58 | 3.00 | |
| 17 | Administration | 2.33 | 3.36 | 3.33 | 16 <td>TOTAL HEALTH CARE & PROGRAMS</td> <td>49.48</td> <td>50.39</td> <td>51.22</td> <td>46.39</td> <td>51.22</td> <td>41.58</td> <td>52.34</td> <td>52.34</td> <td>52.34</td> <td>54.96</td> <td>50.39</td> <td>49.49</td> <td>32.10</td> <td>77.23</td> | TOTAL HEALTH CARE & PROGRAMS | 49.48 | 50.39 | 51.22 | 46.39 | 51.22 | 41.58 | 52.34 | 52.34 | 52.34 | 54.96 | 50.39 | 49.49 | 32.10 | 77.23 | |
| 19 | Professional Services | 0.93 | 0.99 | 1.09 | 17 <td>Administration</td> <td>3.36</td> <td>3.33</td> <td>3.15</td> <td>3.15</td> <td>3.15</td> <td>3.60</td> <td>3.46</td> <td>3.46</td> <td>3.46</td> <td>3.04</td> <td>3.33</td> <td>3.17</td> <td>1.71</td> <td>7.21</td> | Administration | 3.36 | 3.33 | 3.15 | 3.15 | 3.15 | 3.60 | 3.46 | 3.46 | 3.46 | 3.04 | 3.33 | 3.17 | 1.71 | 7.21 | |
| 21 | Clerical & Gen. Office Expense | 8.99 | 4.79 | 4.32 | 19 <td>Professional Services</td> <td>0.99</td> <td>1.09</td> <td>0.85</td> <td>0.83</td> <td>0.85</td> <td>0.76</td> <td>1.12</td> <td>1.12</td> <td>1.12</td> <td>1.13</td> <td>1.09</td> <td>0.77</td> <td>0.07</td> <td>3.44</td> | Professional Services | 0.99 | 1.09 | 0.85 | 0.83 | 0.85 | 0.76 | 1.12 | 1.12 | 1.12 | 1.13 | 1.09 | 0.77 | 0.07 | 3.44 | |
| 22 | Employee Benefits & PR Taxes | 12.68 | 10.09 | 10.42 | 21 <td>Clerical & Gen. Office Expense</td> <td>4.79</td> <td>4.32</td> <td>4.97</td> <td>3.98</td> <td>4.97</td> <td>3.46</td> <td>5.56</td> <td>5.56</td> <td>5.56</td> <td>5.04</td> <td>4.32</td> <td>4.25</td> <td>2.49</td> <td>10.78</td> | Clerical & Gen. Office Expense | 4.79 | 4.32 | 4.97 | 3.98 | 4.97 | 3.46 | 5.56 | 5.56 | 5.56 | 5.04 | 4.32 | 4.25 | 2.49 | 10.78 | |
| 24 | Travel & Seminar | 0.14 | 0.08 | 0.10 | 22 <td>Employee Benefits & PR Taxes</td> <td>10.09</td> <td>10.42</td> <td>11.01</td> <td>8.88</td> <td>11.01</td> <td>7.67</td> <td>10.51</td> <td>10.51</td> <td>10.51</td> <td>11.38</td> <td>10.42</td> <td>9.08</td> <td>6.33</td> <td>19.34</td> | Employee Benefits & PR Taxes | 10.09 | 10.42 | 11.01 | 8.88 | 11.01 | 7.67 | 10.51 | 10.51 | 10.51 | 11.38 | 10.42 | 9.08 | 6.33 | 19.34 | |
| 26 | Insurance-Property, Liability & Malpractice | 2.39 | 2.58 | 2.47 | 24 <td>Travel & Seminar</td> <td>0.08</td> <td>0.10</td> <td>0.13</td> <td>0.10</td> <td>0.13</td> <td>0.13</td> <td>0.06</td> <td>0.06</td> <td>0.06</td> <td>0.05</td> <td>0.10</td> <td>0.07</td> <td>-</td> <td>0.43</td> | Travel & Seminar | 0.08 | 0.10 | 0.13 | 0.10 | 0.13 | 0.13 | 0.06 | 0.06 | 0.06 | 0.05 | 0.10 | 0.07 | - | 0.43 | |
| 28 | Total General Administrative | 29.02 | 24.94 | 25.31 | 26 <td>Insurance-Property, liability & Malpractice</td> <td>2.58</td> <td>2.47</td> <td>2.55</td> <td>2.35</td> <td>2.55</td> <td>2.22</td> <td>2.85</td> <td>2.85</td> <td>2.85</td> <td>2.19</td> <td>2.47</td> <td>2.61</td> <td>0.88</td> <td>4.32</td> | Insurance-Property, liability & Malpractice | 2.58 | 2.47 | 2.55 | 2.35 | 2.55 | 2.22 | 2.85 | 2.85 | 2.85 | 2.19 | 2.47 | 2.61 | 0.88 | 4.32 | |
| 29 | Total Operating Expenses | 142.09 | 98.06 | 100.77 | 28 <td>TOTAL GENERAL ADMINISTRATIVE</td> <td>24.94</td> <td>25.31</td> <td>26.11</td> <td>23.02</td> <td>26.11</td> <td>21.37</td> <td>25.81</td> <td>25.81</td> <td>25.81</td> <td>26.59</td> <td>25.31</td> <td>22.93</td> <td>16.95</td> <td>39.14</td> | TOTAL GENERAL ADMINISTRATIVE | 24.94 | 25.31 | 26.11 | 23.02 | 26.11 | 21.37 | 25.81 | 25.81 | 25.81 | 26.59 | 25.31 | 22.93 | 16.95 | 39.14 | |
| 30 | Depreciation | 0.26 | 3.70 | 3.82 | 29 <td>TOTAL OPERATING EXPENSES</td> <td>98.06</td> <td>100.77</td> <td>100.03</td> <td>92.47</td> <td>100.03</td> <td>88.05</td> <td>100.96</td> <td>100.96</td> <td>100.96</td> <td>103.01</td> <td>100.77</td> <td>94.71</td> <td>69.40</td> <td>142.56</td> | TOTAL OPERATING EXPENSES | 98.06 | 100.77 | 100.03 | 92.47 | 100.03 | 88.05 | 100.96 | 100.96 | 100.96 | 103.01 | 100.77 | 94.71 | 69.40 | 142.56 | |
| 32 | Interest | 1.44 | 2.54 | 2.81 | 30 <td>Depreciation</td> <td>3.70</td> <td>3.82</td> <td>4.08</td> <td>3.29</td> <td>4.08</td> <td>2.54</td> <td>4.11</td> <td>4.11</td> <td>4.11</td> <td>3.54</td> <td>3.82</td> <td>3.38</td> <td>1.01</td> <td>8.43</td> | Depreciation | 3.70 | 3.82 | 4.08 | 3.29 | 4.08 | 2.54 | 4.11 | 4.11 | 4.11 | 3.54 | 3.82 | 3.38 | 1.01 | 8.43 | |
| 33 | Real Estate Taxes | 4.38 | 1.38 | 0.92 | 32 <td>Interest</td> <td>2.81</td> <td>1.96</td> <td>2.09</td> <td>1.96</td> <td>1.41</td> <td>4.05</td> <td>4.05</td> <td>4.05</td> <td>4.05</td> <td>2.63</td> <td>2.81</td> <td>1.50</td> <td>-</td> <td>11.53</td> | Interest | 2.81 | 1.96 | 2.09 | 1.96 | 1.41 | 4.05 | 4.05 | 4.05 | 4.05 | 2.63 | 2.81 | 1.50 | - | 11.53 | |
| 37 | Total Ownership | 26.40 | 11.11 | 9.73 | 33 <td>Real Estate Taxes</td> <td>1.38</td> <td>0.92</td> <td>1.08</td> <td>0.82</td> <td>1.08</td> <td>0.80</td> <td>3.20</td> <td>3.20</td> <td>3.20</td> <td>1.36</td> <td>0.92</td> <td>1.11</td> <td>-</td> <td>4.85</td> | Real Estate Taxes | 1.38 | 0.92 | 1.08 | 0.82 | 1.08 | 0.80 | 3.20 | 3.20 | 3.20 | 1.36 | 0.92 | 1.11 | - | 4.85 | |
| | Total Operating and Ownership Cost | 168.49 | 111.11 | 110.50 | 37 <td>TOTAL OWNERSHIP</td> <td>11.11</td> <td>9.73</td> <td>9.80</td> <td>8.00</td> <td>9.80</td> <td>7.04</td> <td>14.54</td> <td>14.54</td> <td>14.54</td> <td>11.02</td> <td>9.73</td> <td>8.39</td> <td>3.76</td> <td>23.58</td> | TOTAL OWNERSHIP | 11.11 | 9.73 | 9.80 | 8.00 | 9.80 | 7.04 | 14.54 | 14.54 | 14.54 | 11.02 | 9.73 | 8.39 | 3.76 | 23.58 | |
| | | | | | TOTAL OPERATING & OWNERSHIP CC | | | | | | | | | | | | | 73.16 | | 166.14 | |

Notes:

Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.

The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.

Notes:
Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.
The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.

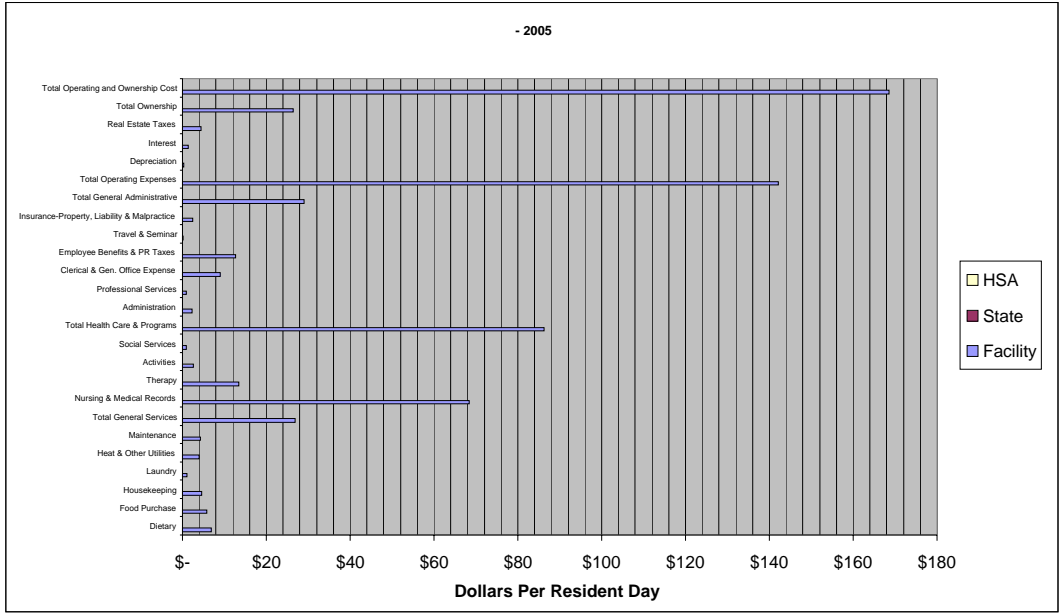


| Cost Report Line | Description | 2005 | 2004 Median | | 2004 | 2004 Median | | 2003 | 2003 Median | | 2002 | 2002 Median | |
|------------------------|---|------------------------------|-------------|-----|------------------------------|-------------|-----|------------------------------|-------------|--------|------------------------------|-------------|--------|
| | | Per Diem Your Facility | State | HSA | Per Diem Your Facility | State | HSA | Per Diem Your Facility | State | HSA | Per Diem Your Facility | State | HSA |
| 1 | Dietary | 6.93 | - | - | #DIV/0! | - | - | #DIV/0! | 6.10 | 5.70 | #DIV/0! | 6.01 | 5.60 |
| 2 | Food Purchase | 5.83 | - | - | #DIV/0! | - | - | #DIV/0! | 4.31 | 4.11 | #DIV/0! | 4.27 | 4.09 |
| 3 | Housekeeping | 4.65 | - | - | #DIV/0! | - | - | #DIV/0! | 3.70 | 3.61 | #DIV/0! | 3.65 | 3.48 |
| 4 | Laundry | 1.14 | - | - | #DIV/0! | - | - | #DIV/0! | 1.85 | 2.13 | #DIV/0! | 1.90 | 2.23 |
| 5 | Heat & Other Utilities | 4.01 | - | - | #DIV/0! | - | - | #DIV/0! | 2.95 | 2.95 | #DIV/0! | 2.71 | 2.73 |
| 6 | Maintenance | 4.28 | - | - | #DIV/0! | - | - | #DIV/0! | 3.01 | 2.82 | #DIV/0! | 2.99 | 2.92 |
| 8 | Total General Services | 26.83 | - | - | #DIV/0! | - | - | #DIV/0! | 22.58 | 21.73 | #DIV/0! | 22.09 | 22.04 |
| 10 | Nursing & Medical Records | 68.46 | - | - | #DIV/0! | - | - | #DIV/0! | 41.83 | 42.15 | #DIV/0! | 40.68 | 41.16 |
| 10A | Therapy | 13.38 | - | - | #DIV/0! | - | - | #DIV/0! | 2.10 | 2.24 | #DIV/0! | 1.85 | 2.27 |
| 11 | Activities | 2.66 | - | - | #DIV/0! | - | - | #DIV/0! | 1.91 | 1.54 | #DIV/0! | 1.88 | 1.60 |
| 12 | Social Services | 0.97 | - | - | #DIV/0! | - | - | #DIV/0! | 1.42 | 1.27 | #DIV/0! | 1.44 | 1.32 |
| 16 | Total Health Care & Programs | 86.24 | - | - | #DIV/0! | - | - | #DIV/0! | 49.48 | 49.49 | #DIV/0! | 47.55 | 47.76 |
| 17 | Administration | 2.33 | - | - | #DIV/0! | - | - | #DIV/0! | 3.36 | 3.17 | #DIV/0! | 3.39 | 3.54 |
| 19 | Professional Services | 0.93 | - | - | #DIV/0! | - | - | #DIV/0! | 0.99 | 0.77 | #DIV/0! | 0.98 | 0.72 |
| 21 | Clerical & Gen. Office Expense | 8.99 | - | - | #DIV/0! | - | - | #DIV/0! | 4.79 | 4.25 | #DIV/0! | 4.58 | 4.31 |
| 22 | Employee Benefits & PR Taxes | 12.68 | - | - | #DIV/0! | - | - | #DIV/0! | 10.09 | 9.08 | #DIV/0! | 9.63 | 8.44 |
| 24 | Travel & Seminar | 0.14 | - | - | #DIV/0! | - | - | #DIV/0! | 0.08 | 0.07 | #DIV/0! | 0.09 | 0.09 |
| 26 | Insurance-Property, Liability & Malpractice | 2.39 | - | - | #DIV/0! | - | - | #DIV/0! | 2.58 | 2.61 | #DIV/0! | 2.19 | 2.03 |
| 28 | Total General Administrative | 29.02 | - | - | #DIV/0! | - | - | #DIV/0! | 24.94 | 22.93 | #DIV/0! | 23.47 | 21.93 |
| 29 | Total Operating Expenses | 142.09 | - | - | #DIV/0! | - | - | #DIV/0! | 98.06 | 94.71 | #DIV/0! | 94.39 | 91.33 |
| 30 | Depreciation | 0.26 | - | - | #DIV/0! | - | - | #DIV/0! | 3.70 | 3.38 | #DIV/0! | 3.53 | 3.04 |
| 32 | Interest | 1.44 | - | - | #DIV/0! | - | - | #DIV/0! | 2.54 | 1.50 | #DIV/0! | 2.73 | 1.54 |
| 33 | Real Estate Taxes | 4.38 | - | - | #DIV/0! | - | - | #DIV/0! | 1.38 | 1.11 | #DIV/0! | 1.30 | 1.03 |
| 37 | Total Ownership | 26.40 | - | - | #DIV/0! | - | - | #DIV/0! | 11.11 | 8.39 | #DIV/0! | 11.44 | 10.00 |
| | Total Operating and Ownership Cost | 168.49 | - | - | #DIV/0! | - | - | #DIV/0! | 103.10 | 103.10 | #DIV/0! | 105.83 | 101.30 |

Notes:

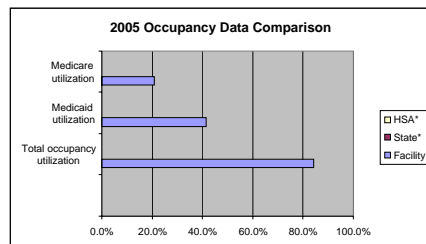
Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

The 2005, 2004, 2003 & 2002 Median Cost Per Day, for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



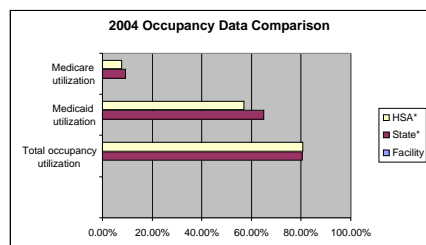
2005

| Your Facility | State* | HSA* |
|---------------------------------|--------|-------|
| Total occupancy utilization | 84.24% | 0.00% |
| Medicaid utilization | 41.59% | 0.00% |
| Medicare utilization | 20.79% | 0.00% |
| Private pay percent utilization | 16.59% | N/A |
| Capacity in Patient Days | 61,200 | N/A |
| Census days of service provided | 51,554 | N/A |



2004

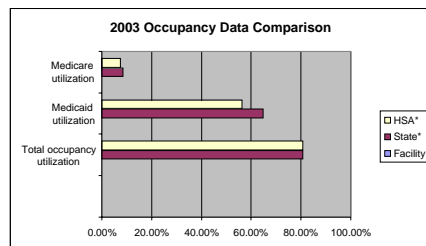
| Your Facility | State* | HSA* |
|---------------------------------|---------|--------|
| Total occupancy utilization | #DIV/0! | 80.50% |
| Medicaid utilization | #DIV/0! | 65.00% |
| Medicare utilization | #DIV/0! | 9.40% |
| Private pay percent utilization | #DIV/0! | N/A |
| Capacity in Patient Days | N/A | N/A |
| Census days of service provided | N/A | N/A |



* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.
Claremont Rehab & Living Center
Comparative Occupancy Data
Year Ending 12/31/2004
HSA 1

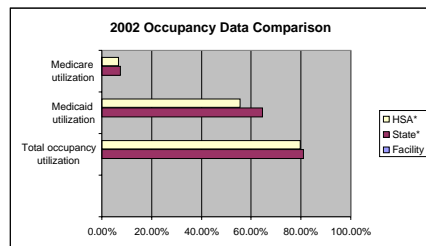
2003

| Your Facility | State* | HSA* |
|---------------------------------|---------|--------|
| Total occupancy utilization | #DIV/0! | 80.80% |
| Medicaid utilization | #DIV/0! | 64.80% |
| Medicare utilization | #DIV/0! | 8.50% |
| Private pay percent utilization | #DIV/0! | N/A |
| Capacity in Patient Days | N/A | N/A |
| Census days of service provided | N/A | N/A |

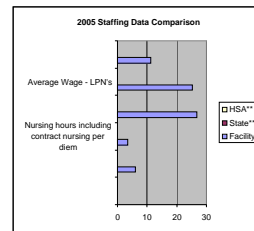


2002

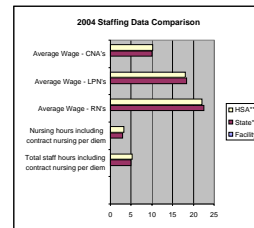
| Your Facility | State* | HSA* |
|---------------------------------|---------|--------|
| Total occupancy utilization | #DIV/0! | 80.90% |
| Medicaid utilization | #DIV/0! | 64.50% |
| Medicare utilization | #DIV/0! | 7.40% |
| Private pay percent utilization | #DIV/0! | N/A |
| Capacity in Patient Days | N/A | N/A |
| Census days of service provided | N/A | N/A |



| 2005 | | | |
|---|---------|-------|------|
| Your | | | |
| Facility | State** | HSA** | |
| Total staff hours including contract nursing per diem | 5.96 | 0.00 | 0.00 |
| Nursing hours including contract nursing per diem | 3.35 | 0.00 | 0.00 |
| Average Wage - RN's | 26.79 | 0.00 | 0.00 |
| Average Wage - LPN's | 25.26 | 0.00 | 0.00 |
| Average Wage - CNA's | 11.3 | 0.00 | 0.00 |

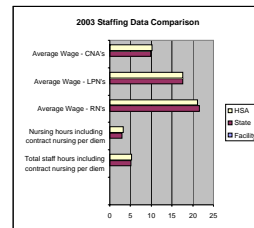


| 2004 | | | |
|---|---------|-------|--|
| Your | | | |
| Facility | State** | HSA** | |
| Total staff hours including contract nursing per diem | 5.00 | 5.30 | |
| Nursing hours including contract nursing per diem | 3.00 | 3.20 | |
| Average Wage - RN's | 22.54 | 22.05 | |
| Average Wage - LPN's | 18.40 | 18.02 | |
| Average Wage - CNA's | 10.02 | 10.13 | |

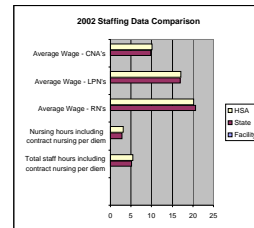


** State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

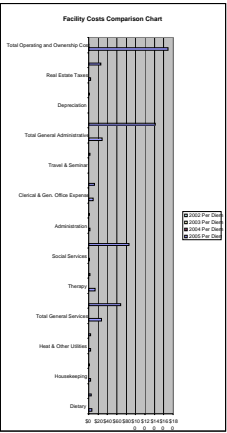
| 2003 | | | |
|---|-------|-------|--|
| Your | | | |
| Facility | State | HSA | |
| Total staff hours including contract nursing per diem | 5.10 | 5.30 | |
| Nursing hours including contract nursing per diem | 2.90 | 3.20 | |
| Average Wage - RN's | 21.56 | 21.14 | |
| Average Wage - LPN's | 17.64 | 17.65 | |
| Average Wage - CNA's | 9.91 | 10.11 | |



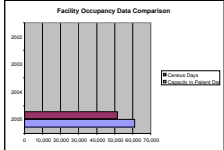
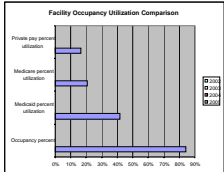
| 2002 | | | |
|---|-------|-------|--|
| Your | | | |
| Facility | State | HSA | |
| Total staff hours including contract nursing per diem | 5.20 | 5.50 | |
| Nursing hours including contract nursing per diem | 2.80 | 3.10 | |
| Average Wage - RN's | 20.69 | 20.12 | |
| Average Wage - LPN's | 16.89 | 17.04 | |
| Average Wage - CNA's | 9.73 | 10.05 | |



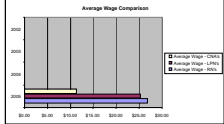
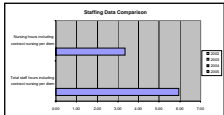
| Cost Report Line | Account | Year 2003 | Year 2004 | Year 2005 | Year 2006 |
|------------------------------------|---|-----------|-----------|-----------|-----------|
| | | Facility | Facility | Facility | Facility |
| | | 2003 | 2004 | 2005 | 2006 |
| | | Per Bed | Per Bed | Per Bed | Per Bed |
| 1 | Steno | 4.51 | 4500.00 | 4500.00 | 4500.00 |
| 2 | Food Purchase | 3.83 | 4500.00 | 4500.00 | 4500.00 |
| 3 | Housekeeping | 4.45 | 4500.00 | 4500.00 | 4500.00 |
| 4 | Laundry | 1.14 | 4500.00 | 4500.00 | 4500.00 |
| 5 | Heat & Other Utilities | 4.03 | 4500.00 | 4500.00 | 4500.00 |
| 6 | Maintenance | 4.28 | 4500.00 | 4500.00 | 4500.00 |
| 7 | Total General Services | 24.24 | 4500.00 | 4500.00 | 4500.00 |
| 8 | Nursing & Medical Records | 48.44 | 4500.00 | 4500.00 | 4500.00 |
| 9A | Therapy | 11.28 | 4500.00 | 4500.00 | 4500.00 |
| 10 | Activities | 1.84 | 4500.00 | 4500.00 | 4500.00 |
| 12 | Social Services | 0.57 | 4500.00 | 4500.00 | 4500.00 |
| 16 | Total Health Care & Programs | 84.24 | 4500.00 | 4500.00 | 4500.00 |
| 17 | Administration | 2.23 | 4500.00 | 4500.00 | 4500.00 |
| 19 | Professional Services | 0.51 | 4500.00 | 4500.00 | 4500.00 |
| 21 | Child & Gen. Office Expense | 0.99 | 4500.00 | 4500.00 | 4500.00 |
| 22 | Telephone, Bells & PW Taxes | 0.24 | 4500.00 | 4500.00 | 4500.00 |
| 24 | Travel & Lodging | 0.14 | 4500.00 | 4500.00 | 4500.00 |
| 26 | Insurance-Property, Liability & Malpractice | 2.39 | 4500.00 | 4500.00 | 4500.00 |
| 28 | Total General Administration | 4.02 | 4500.00 | 4500.00 | 4500.00 |
| 29 | Total Operating Expenses | 142.04 | 4500.00 | 4500.00 | 4500.00 |
| 30 | Depreciation | 0.26 | 4500.00 | 4500.00 | 4500.00 |
| 32 | Interest | 1.44 | 4500.00 | 4500.00 | 4500.00 |
| 33 | Real Estate Taxes | 4.30 | 4500.00 | 4500.00 | 4500.00 |
| 37 | Total Ownership | 26.00 | 4500.00 | 4500.00 | 4500.00 |
| Total Operating and Ownership Cost | | 168.04 | 4500.00 | 4500.00 | 4500.00 |



| | Facility 2003 | Facility 2004 | Facility 2005 | Facility 2006 |
|---------------------------------|---------------|---------------|---------------|---------------|
| Occupancy percent | 84.24% | 4500.00 | 4500.00 | 4500.00 |
| Medicaid percent utilization | 41.59% | 4500.00 | 4500.00 | 4500.00 |
| Medicare percent utilization | 26.79% | 4500.00 | 4500.00 | 4500.00 |
| Private pay percent utilization | 31.62% | 4500.00 | 4500.00 | 4500.00 |
| Capacity in Patient Days | 67,200 | 0 | 0 | 0 |
| Census Days | 67,200 | 0 | 0 | 0 |



| | Facility 2003 | Facility 2004 | Facility 2005 | Facility 2006 |
|--|---------------|---------------|---------------|---------------|
| Total staff hours including contract nursing per day | 0.96 | 0.00 | 0.00 | 0.00 |
| Nursing hours including contract nursing per day | 0.96 | 0.00 | 0.00 | 0.00 |
| Average Wage - BSN | 26.79 | 0.00 | 0.00 | 0.00 |
| Average Wage - LPN | 21.20 | 0.00 | 0.00 | 0.00 |
| Average Wage - CNA | 11.20 | 0.00 | 0.00 | 0.00 |



| | Salaries | Supplies | Other | Total | Reclass- ifications | Reclassified Total | Adjusted Adjustments | Adjusted Total |
|-------------------------------------|-----------|-----------|-----------|------------|------------------------|-----------------------|-------------------------|-------------------|
| 1. Dietary | 309,484 | 35,829 | 11,733 | 357,046 | 0 | 357,046 | 0 | 357,046 |
| 2. Food Purchase | 0 | 315,155 | 0 | 315,155 | 0 | 315,155 | -14,516 | 300,639 |
| 3. Housekeeping | 204,128 | 35,416 | 0 | 239,544 | 0 | 239,544 | 0 | 239,544 |
| 4. Laundry | 33,228 | 21,757 | 3,613 | 58,598 | 0 | 58,598 | 0 | 58,598 |
| 5. Heat and Other Utilities | 0 | 0 | 204,300 | 204,300 | 0 | 204,300 | 2,206 | 206,506 |
| 6. Maintenance | 70,922 | 29,759 | 117,116 | 217,797 | 0 | 217,797 | 3,051 | 220,848 |
| 7. Other (specify)* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Total General Services | 617,762 | 437,916 | 336,762 | 1,392,440 | 0 | 1,392,440 | -9,259 | 1,383,181 |
| 9. Medical Director | 0 | 0 | 40,000 | 40,000 | 0 | 40,000 | 0 | 40,000 |
| 10. Nursing & Medical Records | 3,340,884 | 156,565 | 31,866 | 3,529,315 | 0 | 3,529,315 | 0 | 3,529,315 |
| 10a. Therapy | 457,143 | 3,994 | 228,687 | 689,824 | 0 | 689,824 | 0 | 689,824 |
| 11. Activities | 122,175 | 11,667 | 3,105 | 136,947 | 0 | 136,947 | 0 | 136,947 |
| 12. Social Services | 47,493 | 0 | 2,268 | 49,761 | 0 | 49,761 | 0 | 49,761 |
| 13. Nurse Aide Training | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Program Transportation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Other (specify)* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. Total Health Care & Programs | 3,967,695 | 172,226 | 305,926 | 4,445,847 | 0 | 4,445,847 | 0 | 4,445,847 |
| 17. Administrative | 90,134 | 0 | 300,000 | 390,134 | 0 | 390,134 | -270,005 | 120,129 |
| 18. Directors Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. Professional Services | 0 | 0 | 121,753 | 121,753 | 0 | 121,753 | -73,552 | 48,201 |
| 20. Fees, Subscriptions & Promotion | 0 | 0 | 48,996 | 48,996 | 0 | 48,996 | 1,379 | 50,375 |
| 21. Clerical & General Office | 227,757 | 29,900 | 102,438 | 360,095 | 0 | 360,095 | 103,374 | 463,469 |
| 22. Employee Benefits & Payroll | 0 | 0 | 641,884 | 641,884 | 0 | 641,884 | 11,582 | 653,466 |
| 23. Inservice Training & Education | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Travel and Seminar | 0 | 0 | 6,505 | 6,505 | 0 | 6,505 | 469 | 6,974 |
| 25. Other Admin. Staff Trans | 0 | 0 | 6,177 | 6,177 | 0 | 6,177 | 287 | 6,464 |
| 26. Insurance-Prop.Liab.Malpractice | 0 | 0 | 118,792 | 118,792 | 0 | 118,792 | 4,179 | 122,971 |
| 27. Other (specify)* | 0 | 0 | 0 | 0 | 0 | 0 | 24,049 | 24,049 |
| 28. Total General Adminis | 317,891 | 29,900 | 1,346,545 | 1,694,336 | 0 | 1,694,336 | -198,238 | 1,496,098 |
| 29. Total General Administrative | 4,903,348 | 640,042 | 1,989,233 | 7,532,623 | 0 | 7,532,623 | -207,497 | 7,325,126 |
| 30. Depreciation | 0 | 0 | 7,653 | 7,653 | 0 | 7,653 | 5,767 | 13,420 |
| 31. Amortization of Pre-Op. & Org. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. Interest | 0 | 0 | 52,359 | 52,359 | 0 | 52,359 | 21,791 | 74,150 |
| 33. Real Estate | 0 | 0 | 0 | 0 | 0 | 0 | 225,949 | 225,949 |
| 34. Rent - Facility & Grounds | 0 | 0 | 1,249,130 | 1,249,130 | 0 | 1,249,130 | -223,728 | 1,025,402 |
| 35. Rent - Equipment & Vehicles | 0 | 0 | 19,603 | 19,603 | 0 | 19,603 | 2,555 | 22,158 |
| 36. Other (specify):* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37. Total Ownership | 0 | 0 | 1,328,745 | 1,328,745 | 0 | 1,328,745 | 32,334 | 1,361,079 |
| 38. Medically Necessary T | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39. Ancillary Service Cent | 0 | 824,199 | 0 | 824,199 | 0 | 824,199 | 0 | 824,199 |
| 40. Barber and Beauty Shop | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41. Coffee and Gift Shops | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42. Provider Participation | 0 | 0 | 91,500 | 91,500 | 0 | 91,500 | 0 | 91,500 |
| 43. Other (specify):* | 0 | 0 | 240,621 | 240,621 | 0 | 240,621 | -240,621 | 0 |
| 44. Total Special Cost Ce | 0 | 824,199 | 332,121 | 1,156,320 | 0 | 1,156,320 | -240,621 | 915,699 |
| 45. Grand Total | 4,903,348 | 1,464,241 | 3,650,099 | 10,017,688 | 0 | 10,017,688 | -415,784 | 9,601,904 |

| | Operating | After Consolidation |
|---|-----------|------------------------|
| General Service Cost Center | | |
| 1. Cash on hand and in banks | 3,903 | 4,653 |
| 2. Cash - Patient Deposits | 0 | 0 |
| 3. Accounts & Notes Receivable | 2,565,603 | 2,565,603 |
| 4. Supply Inventory | 0 | 0 |
| 5. Short-Term Investments | 0 | 0 |
| 6. Prepaid Insurance | 33,005 | 33,005 |
| 7. Other Prepaid Expenses | 100,843 | 100,843 |
| 8. Accounts Receivable-Owner/Related Party | 0 | 0 |
| 9. Other (specify): | 258,654 | 808,654 |
| 10. Total current assets | 2,962,008 | 3,512,758 |
| LONG TERM ASSETS | | |
| 11. Long-Term Notes Receivable | 0 | 0 |
| 12. Long-Term Investments | 0 | 0 |
| 13. Land | 0 | 5,271 |
| 14. Buildings, at Historical Cost | 0 | 47,443 |
| 15. Leasehold Improvements, Historical Cost | 103,665 | 131,620 |
| 16. Equipment, at Historical Cost | 101,277 | 144,637 |
| 17. Accumulated Depreciation (book methods) | -7,653 | -29,810 |
| 18. Deferred Charges | 0 | 0 |
| 19. Organization & Pre-Operating Costs | 0 | 0 |
| 20. Accum Amort - Org/Pre-Op Costs | 0 | 0 |
| 21. Restricted Funds | 0 | 0 |
| 22. Other Long-Term Assets (specify): | 0 | 0 |
| 23. other (specify): | 0 | 0 |
| 24. Total Long-Term Assets | 197,289 | 299,161 |
| 25. Total Assets | 3,159,297 | 3,811,919 |
| CURRENT LIABILITIES | | |
| 26. Accounts Payable | 570,082 | 570,082 |
| 27. Officer's Accounts Payable | 0 | 0 |
| 28. Accounts Payable-Patients Deposits | 0 | 0 |
| 29. Short-Term Notes Payable | 1,350,000 | 1,406,250 |
| 30. Accrued Salaries Payable | 428,662 | 428,662 |
| 31. Accrued Taxes Payable | 107,752 | 107,752 |
| 32. Accrued Real Estate Taxes | 0 | 0 |
| 33. Accrued Interest Payable | 0 | 0 |
| 34. Deferred Compensation | 0 | 0 |
| 35. Federal and State Income Taxes | 0 | 0 |
| 36. Other Current Liabilities (specify): | 262,499 | 521,153 |
| 37. Other Current Liabilities (specify): | 0 | 0 |
| 38. Total Current Liabilities | 2,718,995 | 3,033,899 |
| LONG TERM LIABILITES | | |
| 39. Long-Term Notes Payable | 0 | 243,750 |
| 40. Mortgage Payable | 0 | 0 |
| 41. Bonds Payable | 0 | 0 |
| 42. Deferred Compensation | 0 | 0 |
| 43. Other Long-Term Liabilities (specify): | 0 | 0 |
| 44. Other Long-Term Liabilities (specify): | 0 | 0 |
| 45. Total Long-Term Liabilities | 0 | 243,750 |
| 46. Total Liabilities | 2,718,995 | 3,277,649 |
| 47. Total Equity | 440,302 | 534,270 |
| 48. Total Liabilities and Equity | 3,159,297 | 3,811,919 |

| | |
|--|--|
| | Balance per Medicaid Trial Balance |
| 1. Gross Revenue - All levels of Care | 9,959,968 |
| 2. Discounts and Allowances for all Levels | -3,332,064 |
| Subtotal - Inpatient Care | 6,627,904 |
| 4. Day Care | 0 |
| 5. Other Care for Outpatients | 0 |
| 6. Therapy | 2,375,956 |
| 7. Oxygen | 0 |
| Subtotal - Ancillary Revenue | 2,375,956 |
| 9. Payments for Education | 0 |
| 10. Other Governmental Grants | 0 |
| 11. Nurses Aide Training Reimbursements | 0 |
| 12. Gift and Coffee Shop | 480 |
| 13. Barber and Beauty Care | 0 |
| 14. Non-Patient Meals | 319 |
| 15. Telephone, Television, and Radio | 0 |
| 16. Rental of Facility Space | 0 |
| 17. Sale of Drugs | 955,116 |
| 18. Sale of Supplies to Non-Patients | 0 |
| 19. Laboratory | 69,899 |
| 20. Radiology and X-Ray | 23,310 |
| 21. Other Medical Services | 161,778 |
| 22. Laundry | 0 |
| Subtotal - Other Operating Revenue | 1,210,902 |
| 24. Contributions | 0 |
| 25. Interest and Other Investments Income | 282 |
| Subtotal - Non-Operating Revenue | 282 |
| 27. Other Revenue (specify): | 2,946 |
| 28. Other Revenue (specify): | 0 |
| Subtotal - Other Revenue | 2,946 |
| 30. Total Revenue | 10,217,990 |
| 31. General Services | 1,392,440 |
| 32. Health Care | 4,445,847 |
| 33. General Administration | 1,694,336 |
| 34. Ownership | 1,328,745 |
| 35. Special Cost Centers | 1,064,820 |
| 35. Provider Participation Fee | 91,500 |
| 37. Other | 0 |
| 40. Total Expenses | 10,017,688 |
| 41. Income Before Income Taxes | 200,302 |
| 42. Income Taxes | 0 |
| 43. Net Income or Loss for the Year | 200,302 |

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IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2005 Cost Reports
2005 (Run June 1, 2004)

UN-INFLATED

| Cost Report | Description |
|-------------|---|
| 1 | Dietary |
| 2 | Food Purchase |
| 3 | Housekeeping |
| 4 | Laundry |
| 5 | Heat & Other Utilities |
| 6 | Maintenance |
| 8 | TOTAL GENERAL SERVICES |
| 10 | Nursing & Medical Records |
| 10A | Therapy |
| 11 | Activities |
| 12 | Social Services |
| 16 | TOTAL HEALTH CARE & PROGRAMS |
| 17 | Administration |
| 19 | Professional Services |
| 21 | Clerical & Gen. Office Expense |
| 22 | Employee Benefits & PR Taxes |
| 24 | Travel & Seminar |
| 26 | Insurance-Property, liability & Malpractice |
| 28 | TOTAL GENERAL ADMINISTRATIVE |
| 29 | TOTAL OPERATING EXPENSES |
| 30 | Depreciation |
| 32 | Interest |
| 33 | Real Estate Taxes |
| 37 | TOTAL OWNERSHIP |
| | TOTAL OPERATING & OWNERSHIP COST |

Average Wage Data Table

| |
|--|
| Total staff hours including contract nurses per diem |
| Nursing hours including contract nurses per diem |
| RN |
| LPN |
| CNA |
| DON |
| ADON |

2003 - Staffing and Occupancy Data

| |
|----------------------|
| Average Occupancy |
| Medicaid Utilization |
| Medicare Utilization |

| State-Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA |
|------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
| | | | | | | | | | | | | |

10th % 90th %

Claremont Claremont
Rehab & t Rehab &
Living Living
Center Center

2005 Costs

2005
Census

51,554

| Cost Report | Description |
|-------------|---|
| 1 | Dietary |
| 2 | Food Purchase |
| 3 | Housekeeping |
| 4 | Laundry |
| 5 | Heat & Other Utilities |
| 6 | Maintenance |
| 8 | TOTAL GENERAL SERVICES |
| 10 | Nursing & Medical Records |
| 10A | Therapy |
| 11 | Activities |
| 12 | Social Services |
| 16 | TOTAL HEALTH CARE & PROGRAMS |
| 17 | Administration |
| 19 | Professional Services |
| 21 | Clerical & Gen. Office Expense |
| 22 | Employee Benefits & PR Taxes |
| 24 | Travel & Seminar |
| 26 | Insurance-Property, liability & Malpractice |
| 28 | TOTAL GENERAL ADMINISTRATIVE |
| 29 | TOTAL OPERATING EXPENSES |
| 30 | Depreciation |
| 32 | Interest |
| 33 | Real Estate Taxes |
| 37 | TOTAL OWNERSHIP |
| | TOTAL OPERATING & OWNERSHIP COST |

LTC Median Per Diem Cost by HSA - 2004 Cost Reports
2004 (Run June 1, 2004)

Claremont Rehab & Living Center
2004
Costs

Claremont Rehab
& Living
Center
2004
Census

| Cost | |
|-------------|---|
| <u>Line</u> | <u>Description</u> |
| 1 | Dietary |
| 2 | Food Purchase |
| 3 | Housekeeping |
| 4 | Laundry |
| 5 | Heat & Other Utilities |
| 6 | Maintenance |
| 8 | TOTAL GENERAL SERVICES |
| 10 | Nursing & Medical Records |
| 11 | Therapy |
| 12 | Activities |
| 13 | Social Services |
| 16 | TOTAL HEALTH CARE & PROGRAMS |
| 17 | Administration |
| 19 | Professional Services |
| 21 | Clerical & Gen. Office Expense |
| 22 | Employee Benefits & PR Taxes |
| 24 | Travel & Seminar |
| 26 | Insurance-Property, liability & Malpractice |
| 28 | TOTAL GENERAL ADMINISTRATIVE |
| 29 | TOTAL OPERATING EXPENSES |
| 32 | Depreciation |
| 33 | Interest |
| 37 | Real Estate Taxes |
| 37 | TOTAL OWNERSHIP |
| | TOTAL OPERATING & OWNERSHIP COST |

2003 - Staffing and Occupancy Data

| | State- Wide | HSA 1 | HSA 2 | HSA 3 | HSA 4 | HSA 5 | HSA 6 | HSA 7 | HSA 8 | HSA 9 | HSA 10 | HSA 11 |
|--|----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| Total staff hours including contract nurses per diem | 5.00 | 5.30 | 5.30 | 5.30 | 5.30 | 5.10 | 4.80 | 4.80 | 4.80 | 5.10 | 5.30 | 5.20 |
| Nursing hours including contract nurses per diem | 3.00 | 3.20 | 3.20 | 3.30 | 3.20 | 3.10 | 2.80 | 2.80 | 2.80 | 3.10 | 3.20 | 3.10 |
| RN | 22.54 | 22.05 | 20.73 | 19.72 | 20.73 | 17.47 | 25.72 | 25.72 | 25.72 | 23.44 | 22.05 | 20.42 |
| LPN | 18.84 | 18.02 | 17.23 | 15.4 | 17.23 | 13.87 | 21.06 | 21.06 | 21.06 | 19.99 | 18.02 | 17.13 |
| CNA | 10.02 | 10.13 | 10.03 | 9.32 | 10.03 | 8.4 | 10.52 | 10.52 | 10.52 | 10.53 | 10.13 | 9.84 |
| DON | 28.97 | 27.38 | 25.17 | 23.86 | 25.17 | 22.23 | 34.39 | 34.39 | 34.39 | 30.41 | 27.38 | 25.97 |
| ADON | 25.23 | 23.95 | 21.85 | 19.41 | 21.85 | 19.13 | 28.74 | 28.74 | 28.74 | 26.68 | 23.95 | 23.77 |

| | State- Wide | HSA 1 | HSA 2 | HSA 3 | HSA 4 | HSA 5 | HSA 6 | HSA 7 | HSA 8 | HSA 9 | HSA 10 | HSA 11 |
|----------------------|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Average Occupancy | 80.50% | 80.70% | 80.40% | 78.10% | 80.40% | 74.40% | 81.80% | 81.80% | 81.80% | 82.90% | 80.70% | 78.10% |
| Medicaid Utilization | 65.00% | 57.00% | 56.70% | 58.50% | 56.70% | 61.80% | 70.60% | 70.60% | 70.60% | 64.50% | 57.00% | 60.60% |
| Medicare Utilization | 9.40% | 7.70% | 8.90% | 9.30% | 8.90% | 8.80% | 9.90% | 9.90% | 9.90% | 10.30% | 7.70% | 8.90% |

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2003 Cost Reports
2003 (Run June 1, 2004)

UN-INFLATED

Claremont
Rehab &
Living
Center

Claremont
Rehab
& Living
Center

2003
Census

Cost
Report

| Line | Description |
|------|---|
| 1 | Dietary |
| 2 | Food Purchase |
| 3 | Housekeeping |
| 4 | Laundry |
| 5 | Heat & Other Utilities |
| 6 | Maintenance |
| 8 | TOTAL GENERAL SERVICES |
| 10 | Nursing & Medical Records |
| 10A | Therapy |
| 11 | Activities |
| 12 | Social Services |
| 16 | TOTAL HEALTH CARE & PROGRAMS |
| 17 | Administration |
| 19 | Professional Services |
| 21 | Clerical & Gen. Office Expense |
| 22 | Employee Benefits & PR Taxes |
| 24 | Travel & Seminar |
| 26 | Insurance-Property, liability & Malpractice |
| 28 | TOTAL GENERAL ADMINISTRATIVE |
| 29 | TOTAL OPERATING EXPENSES |
| 30 | Depreciation |
| 32 | Interest |
| 33 | Real Estate Taxes |
| 37 | TOTAL OWNERSHIP |
| | TOTAL OPERATING & OWNERSHIP COST |

| State-Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA |
|------------|--------|--------|--------|--------|-------|--------|--------|--------|--------|--------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 6.10 | 7.02 | 6.48 | 5.50 | 6.48 | 5.48 | 6.06 | 6.06 | 6.06 | 5.60 | 7.02 | 5.70 |
| 4.31 | 4.47 | 4.40 | 4.27 | 4.40 | 3.99 | 4.31 | 4.31 | 4.31 | 4.28 | 4.47 | 4.11 |
| 3.70 | 3.59 | 3.68 | 2.91 | 3.68 | 3.40 | 4.05 | 4.05 | 4.05 | 3.97 | 3.59 | 3.61 |
| 1.85 | 2.23 | 1.90 | 1.79 | 1.90 | 2.10 | 1.59 | 1.59 | 1.59 | 1.69 | 2.23 | 2.13 |
| 2.95 | 3.17 | 2.93 | 2.94 | 2.93 | 2.71 | 2.93 | 2.93 | 2.93 | 2.91 | 3.17 | 2.95 |
| 3.01 | 3.26 | 3.03 | 2.99 | 3.03 | 2.55 | 3.21 | 3.21 | 3.21 | 3.05 | 3.26 | 2.82 |
| 22.58 | 24.49 | 22.99 | 21.14 | 22.99 | 21.47 | 22.65 | 22.65 | 22.65 | 22.45 | 24.49 | 21.73 |
| 41.83 | 42.52 | 43.12 | 38.37 | 43.12 | 33.78 | 45.12 | 45.12 | 45.12 | 47.22 | 42.52 | 42.15 |
| 2.10 | 1.86 | 2.69 | 3.34 | 2.69 | 3.47 | 1.45 | 1.45 | 1.45 | 2.41 | 1.86 | 2.24 |
| 1.91 | 2.18 | 1.92 | 1.61 | 1.92 | 1.48 | 2.16 | 2.16 | 2.16 | 2.05 | 2.18 | 1.54 |
| 1.42 | 1.45 | 1.64 | 1.05 | 1.64 | 1.09 | 1.60 | 1.60 | 1.60 | 1.12 | 1.45 | 1.27 |
| 49.48 | 50.39 | 51.22 | 46.39 | 51.22 | 41.58 | 52.34 | 52.34 | 52.34 | 54.96 | 50.39 | 49.49 |
| 3.36 | 3.33 | 3.15 | 3.15 | 3.15 | 3.60 | 3.46 | 3.46 | 3.46 | 3.04 | 3.33 | 3.17 |
| 0.99 | 1.09 | 0.85 | 0.83 | 0.85 | 0.76 | 1.12 | 1.12 | 1.12 | 1.13 | 1.09 | 0.77 |
| 4.79 | 4.32 | 4.97 | 3.98 | 4.97 | 3.46 | 5.56 | 5.56 | 5.56 | 5.04 | 4.32 | 4.25 |
| 10.09 | 10.42 | 11.01 | 8.88 | 11.01 | 7.67 | 10.51 | 10.51 | 10.51 | 11.38 | 10.42 | 9.08 |
| 0.08 | 0.10 | 0.13 | 0.10 | 0.13 | 0.13 | 0.06 | 0.06 | 0.06 | 0.05 | 0.10 | 0.07 |
| 2.58 | 2.47 | 2.55 | 2.35 | 2.55 | 2.22 | 2.85 | 2.85 | 2.85 | 2.19 | 2.47 | 2.61 |
| 24.94 | 25.31 | 26.11 | 23.02 | 26.11 | 21.37 | 25.81 | 25.81 | 25.81 | 26.59 | 25.31 | 22.93 |
| 98.06 | 100.77 | 100.03 | 92.47 | 100.03 | 88.05 | 100.96 | 100.96 | 100.96 | 103.01 | 100.77 | 94.71 |
| 3.70 | 3.82 | 4.08 | 3.29 | 4.08 | 2.54 | 4.11 | 4.11 | 4.11 | 3.54 | 3.82 | 3.38 |
| 2.54 | 2.81 | 1.96 | 2.09 | 1.96 | 1.41 | 4.05 | 4.05 | 4.05 | 2.63 | 2.81 | 1.50 |
| 1.38 | 0.92 | 1.08 | 0.82 | 1.08 | 0.80 | 3.20 | 3.20 | 3.20 | 1.36 | 0.92 | 1.11 |
| 11.11 | 9.73 | 9.80 | 8.00 | 9.80 | 7.04 | 14.54 | 14.54 | 14.54 | 11.02 | 9.73 | 8.39 |
| 109.17 | 110.50 | 109.83 | 100.47 | 109.83 | 95.09 | 115.50 | 115.50 | 115.50 | 114.03 | 110.50 | 103.10 |

| 10th % | 90th % |
|--------|--------|
| 4.13 | 9.81 |
| 3.36 | 6.04 |
| 2.48 | 5.80 |
| 0.91 | 3.14 |
| 2.05 | 4.25 |
| 1.92 | 5.12 |
| 17.57 | 31.51 |
| 27.25 | 64.47 |
| - | 10.55 |
| 1.06 | 3.45 |
| 0.58 | 3.00 |
| 32.10 | 77.23 |
| 1.71 | 7.21 |
| 0.07 | 3.44 |
| 2.49 | 10.78 |
| 6.33 | 19.34 |
| - | 0.43 |
| 0.88 | 4.32 |
| 16.95 | 39.14 |
| 69.40 | 142.56 |
| 1.01 | 8.43 |
| - | 11.53 |
| - | 4.85 |
| 3.76 | 23.58 |
| 73.16 | 166.14 |

Cost

Report

| Line | Description |
|------|---|
| 1 | Dietary |
| 2 | Food Purchase |
| 3 | Housekeeping |
| 4 | Laundry |
| 5 | Heat & Other Utilities |
| 6 | Maintenance |
| 8 | TOTAL GENERAL SERVICES |
| 10 | Nursing & Medical Records |
| 10A | Therapy |
| 11 | Activities |
| 12 | Social Services |
| 16 | TOTAL HEALTH CARE & PROGRAMS |
| 17 | Administration |
| 19 | Professional Services |
| 21 | Clerical & Gen. Office Expense |
| 22 | Employee Benefits & PR Taxes |
| 24 | Travel & Seminar |
| 26 | Insurance-Property, liability & Malpractice |
| 28 | TOTAL GENERAL ADMINISTRATIVE |
| 29 | TOTAL OPERATING EXPENSES |
| 30 | Depreciation |
| 32 | Interest |
| 33 | Real Estate Taxes |
| 37 | TOTAL OWNERSHIP |
| | TOTAL OPERATING & OWNERSHIP COST |

Average Wage Data Table

| State-Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Total staff hours including contract nurses per diem | 5.10 | 5.30 | 5.30 | 5.00 | 5.30 | 5.10 | 4.90 | 4.90 | 4.90 | 5.10 | 5.30 |
| Nursing hours including contract nurses per diem | 2.90 | 3.20 | 3.10 | 3.10 | 3.10 | 3.00 | 2.70 | 2.70 | 2.70 | 3.00 | 3.10 |
| RN | 21.56 | 21.14 | 19.99 | 18.79 | 19.99 | 16.66 | 24.55 | 24.55 | 24.55 | 22.85 | 21.14 |
| LPN | 17.64 | 17.65 | 16.41 | 14.79 | 16.41 | 13.36 | 20.23 | 20.23 | 20.23 | 18.67 | 17.65 |
| CNA | 9.91 | 10.11 | 9.89 | 9.19 | 9.89 | 8.28 | 10.44 | 10.44 | 10.44 | 10.54 | 10.11 |
| DON | 27.82 | 26.67 | 24.49 | 23.07 | 24.49 | 20.82 | 33.29 | 33.29 | 33.29 | 29.65 | 26.67 |
| ADON | 24.39 | 22.67 | 21.12 | 19.67 | 21.12 | 18.73 | 27.45 | 27.45 | 27.45 | 26.14 | 22.67 |

2003 - Staffing and Occupancy Data

| State-Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA |
|----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Average Occupancy | 80.80% | 80.80% | 80.60% | 79.90% | 80.60% | 75.20% | 82.00% | 82.00% | 82.00% | 81.60% | 80.80% |
| Medicaid Utilization | 64.80% | 56.40% | 57.70% | 59.60% | 57.70% | 62.80% | 70.00% | 70.00% | 70.00% | 64.30% | 56.40% |
| Medicare Utilization | 8.50% | 7.50% | 7.50% | 7.70% | 7.50% | 8.70% | 9.10% | 9.10% | 9.10% | 9.30% | 7.50% |

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2002 Cost Reports
2002 (Run June 1, 2004)

UN-INFLATED

| Cost Report | State- Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | 10th % | 90th % |
|-------------|---|--------|--------|--------|-------|--------|-------|--------|--------|--------|--------|--------|--------|--------|
| Line | Description | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | |
| 1 | Dietary | 6.01 | 7.28 | 6.51 | 5.36 | 6.51 | 5.48 | 5.92 | 5.92 | 5.83 | 7.28 | 5.60 | 4.17 | 9.77 |
| 2 | Food Purchase | 4.27 | 4.52 | 4.40 | 4.15 | 4.40 | 3.99 | 4.31 | 4.31 | 4.31 | 4.11 | 4.52 | 3.29 | 5.90 |
| 3 | Housekeeping | 3.65 | 3.84 | 3.56 | 3.05 | 3.56 | 3.25 | 4.13 | 4.13 | 4.13 | 3.89 | 3.84 | 2.51 | 5.63 |
| 4 | Laundry | 1.90 | 2.15 | 2.01 | 1.72 | 2.01 | 2.09 | 1.67 | 1.67 | 1.67 | 1.58 | 2.15 | 1.10 | 3.13 |
| 5 | Heat & Other Utilities | 2.71 | 2.84 | 2.76 | 2.75 | 2.76 | 2.54 | 2.67 | 2.67 | 2.67 | 2.72 | 2.84 | 1.89 | 4.03 |
| 6 | Maintenance | 2.99 | 3.41 | 2.96 | 2.91 | 2.96 | 2.48 | 3.16 | 3.16 | 3.16 | 2.90 | 3.41 | 1.95 | 5.11 |
| 8 | TOTAL GENERAL SERVICES | 22.09 | 24.39 | 22.49 | 20.85 | 22.49 | 20.47 | 22.71 | 22.71 | 22.66 | 24.39 | 22.04 | 17.19 | 30.80 |
| 10 | Nursing & Medical Records | 40.68 | 42.79 | 42.10 | 37.44 | 42.10 | 33.35 | 43.96 | 43.96 | 43.96 | 43.84 | 42.79 | 26.11 | 62.04 |
| 10A | Therapy | 1.85 | 1.90 | 2.38 | 2.86 | 2.38 | 1.81 | 1.54 | 1.54 | 1.54 | 3.02 | 1.90 | - | 10.03 |
| 11 | Activities | 1.88 | 2.12 | 1.89 | 1.50 | 1.89 | 1.37 | 2.23 | 2.23 | 2.23 | 2.10 | 2.12 | 1.13 | 3.39 |
| 12 | Social Services | 1.44 | 1.46 | 1.50 | 1.08 | 1.50 | 1.13 | 1.61 | 1.61 | 1.61 | 1.32 | 1.46 | 0.58 | 3.00 |
| 16 | TOTAL HEALTH CARE & PROGRAMS | 47.55 | 50.19 | 49.32 | 44.36 | 49.32 | 39.56 | 50.57 | 50.57 | 50.57 | 52.75 | 50.19 | 31.31 | 74.79 |
| 17 | Administration | 3.39 | 3.49 | 3.30 | 3.27 | 3.30 | 3.61 | 3.39 | 3.39 | 3.39 | 3.20 | 3.49 | 1.65 | 6.84 |
| 19 | Professional Services | 0.98 | 1.00 | 0.76 | 0.88 | 0.76 | 0.98 | 1.05 | 1.05 | 1.05 | 1.19 | 1.00 | 0.07 | 2.93 |
| 21 | Clerical & Gen. Office Expense | 4.58 | 4.07 | 4.40 | 3.67 | 4.40 | 3.47 | 5.75 | 5.75 | 5.75 | 4.19 | 4.07 | 2.36 | 10.72 |
| 22 | Employee Benefits & PR Taxes | 9.63 | 10.11 | 10.26 | 8.28 | 10.26 | 7.80 | 10.26 | 10.26 | 10.26 | 9.30 | 10.11 | 6.22 | 17.51 |
| 24 | Travel & Seminar | 0.09 | 0.12 | 0.10 | 0.09 | 0.10 | 0.16 | 0.06 | 0.06 | 0.06 | 0.03 | 0.12 | - | 0.37 |
| 26 | Insurance-Property, liability & Malpractice | 2.19 | 1.93 | 1.97 | 1.87 | 1.97 | 2.00 | 2.46 | 2.46 | 2.46 | 2.40 | 1.93 | 0.83 | 3.92 |
| 28 | TOTAL GENERAL ADMINISTRATIVE | 23.47 | 23.64 | 24.80 | 21.32 | 24.80 | 20.28 | 25.17 | 25.17 | 25.17 | 23.10 | 23.64 | 16.13 | 36.02 |
| 29 | TOTAL OPERATING EXPENSES | 94.39 | 99.26 | 97.46 | 85.50 | 97.46 | 82.47 | 99.35 | 99.35 | 99.35 | 97.86 | 99.26 | 67.15 | 138.58 |
| 30 | Depreciation | 3.53 | 3.13 | 3.86 | 3.26 | 3.86 | 2.41 | 4.18 | 4.18 | 4.18 | 3.94 | 3.13 | 0.73 | 8.09 |
| 32 | Interest | 2.73 | 2.84 | 2.05 | 2.60 | 2.05 | 1.55 | 4.55 | 4.55 | 4.55 | 2.14 | 2.84 | - | 12.86 |
| 33 | Real Estate Taxes | 1.30 | 0.77 | 0.88 | 0.93 | 0.88 | 0.72 | 3.17 | 3.17 | 3.17 | 1.29 | 0.77 | - | 5.05 |
| 37 | TOTAL OWNERSHIP | 11.44 | 9.19 | 9.85 | 8.76 | 9.85 | 6.52 | 15.35 | 15.35 | 15.35 | 11.40 | 9.19 | 3.55 | 24.50 |
| | TOTAL OPERATING & OWNERSHIP COST | 105.83 | 108.45 | 107.31 | 94.26 | 107.31 | 88.99 | 114.70 | 114.70 | 114.70 | 109.26 | 108.45 | 70.70 | 163.08 |

| Cost Report | State- Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | 10th % | 90th % |
|-------------|---|--------|--------|--------|-------|--------|-------|--------|--------|--------|--------|--------|--------|--------|
| Line | Description | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | |
| 1 | Dietary | 6.01 | 7.28 | 6.51 | 5.36 | 6.51 | 5.48 | 5.92 | 5.92 | 5.83 | 7.28 | 5.60 | 4.17 | 9.77 |
| 2 | Food Purchase | 4.27 | 4.52 | 4.40 | 4.15 | 4.40 | 3.99 | 4.31 | 4.31 | 4.31 | 4.11 | 4.52 | 3.29 | 5.90 |
| 3 | Housekeeping | 3.65 | 3.84 | 3.56 | 3.05 | 3.56 | 3.25 | 4.13 | 4.13 | 4.13 | 3.89 | 3.84 | 2.51 | 5.63 |
| 4 | Laundry | 1.90 | 2.15 | 2.01 | 1.72 | 2.01 | 2.09 | 1.67 | 1.67 | 1.67 | 1.58 | 2.15 | 1.10 | 3.13 |
| 5 | Heat & Other Utilities | 2.71 | 2.84 | 2.76 | 2.75 | 2.76 | 2.54 | 2.67 | 2.67 | 2.67 | 2.72 | 2.84 | 1.89 | 4.03 |
| 6 | Maintenance | 2.99 | 3.41 | 2.96 | 2.91 | 2.96 | 2.48 | 3.16 | 3.16 | 3.16 | 2.90 | 3.41 | 1.95 | 5.11 |
| 8 | TOTAL GENERAL SERVICES | 22.09 | 24.39 | 22.49 | 20.85 | 22.49 | 20.47 | 22.71 | 22.71 | 22.66 | 24.39 | 22.04 | 17.19 | 30.80 |
| 10 | Nursing & Medical Records | 40.68 | 42.79 | 42.10 | 37.44 | 42.10 | 33.35 | 43.96 | 43.96 | 43.96 | 43.84 | 42.79 | 26.11 | 62.04 |
| 10A | Therapy | 1.85 | 1.90 | 2.38 | 2.86 | 2.38 | 1.81 | 1.54 | 1.54 | 1.54 | 3.02 | 1.90 | - | 10.03 |
| 11 | Activities | 1.88 | 2.12 | 1.89 | 1.50 | 1.89 | 1.37 | 2.23 | 2.23 | 2.23 | 2.10 | 2.12 | 1.13 | 3.39 |
| 12 | Social Services | 1.44 | 1.46 | 1.50 | 1.08 | 1.50 | 1.13 | 1.61 | 1.61 | 1.61 | 1.32 | 1.46 | 0.58 | 3.00 |
| 16 | TOTAL HEALTH CARE & PROGRAMS | 47.55 | 50.19 | 49.32 | 44.36 | 49.32 | 39.56 | 50.57 | 50.57 | 50.57 | 52.75 | 50.19 | 31.31 | 74.79 |
| 17 | Administration | 3.39 | 3.49 | 3.30 | 3.27 | 3.30 | 3.61 | 3.39 | 3.39 | 3.39 | 3.20 | 3.49 | 1.65 | 6.84 |
| 19 | Professional Services | 0.98 | 1.00 | 0.76 | 0.88 | 0.76 | 0.98 | 1.05 | 1.05 | 1.05 | 1.19 | 1.00 | 0.07 | 2.93 |
| 21 | Clerical & Gen. Office Expense | 4.58 | 4.07 | 4.40 | 3.67 | 4.40 | 3.47 | 5.75 | 5.75 | 5.75 | 4.19 | 4.07 | 2.36 | 10.72 |
| 22 | Employee Benefits & PR Taxes | 9.63 | 10.11 | 10.26 | 8.28 | 10.26 | 7.80 | 10.26 | 10.26 | 10.26 | 9.30 | 10.11 | 6.22 | 17.51 |
| 24 | Travel & Seminar | 0.09 | 0.12 | 0.10 | 0.09 | 0.10 | 0.16 | 0.06 | 0.06 | 0.06 | 0.03 | 0.12 | - | 0.37 |
| 26 | Insurance-Property, liability & Malpractice | 2.19 | 1.93 | 1.97 | 1.87 | 1.97 | 2.00 | 2.46 | 2.46 | 2.46 | 2.40 | 1.93 | 0.83 | 3.92 |
| 28 | TOTAL GENERAL ADMINISTRATIVE | 23.47 | 23.64 | 24.80 | 21.32 | 24.80 | 20.28 | 25.17 | 25.17 | 25.17 | 23.10 | 23.64 | 16.13 | 36.02 |
| 29 | TOTAL OPERATING EXPENSES | 94.39 | 99.26 | 97.46 | 85.50 | 97.46 | 82.47 | 99.35 | 99.35 | 99.35 | 97.86 | 99.26 | 67.15 | 138.58 |
| 30 | Depreciation | 3.53 | 3.13 | 3.86 | 3.26 | 3.86 | 2.41 | 4.18 | 4.18 | 4.18 | 3.94 | 3.13 | 0.73 | 8.09 |
| 32 | Interest | 2.73 | 2.84 | 2.05 | 2.60 | 2.05 | 1.55 | 4.55 | 4.55 | 4.55 | 2.14 | 2.84 | - | 12.86 |
| 33 | Real Estate Taxes | 1.30 | 0.77 | 0.88 | 0.93 | 0.88 | 0.72 | 3.17 | 3.17 | 3.17 | 1.29 | 0.77 | - | 5.05 |
| 37 | TOTAL OWNERSHIP | 11.44 | 9.19 | 9.85 | 8.76 | 9.85 | 6.52 | 15.35 | 15.35 | 15.35 | 11.40 | 9.19 | 3.55 | 24.50 |
| | TOTAL OPERATING & OWNERSHIP COST | 105.83 | 108.45 | 107.31 | 94.26 | 107.31 | 88.99 | 114.70 | 114.70 | 114.70 | 109.26 | 108.45 | 70.70 | 163.08 |

2002 - Average Wage Data Table

| State- Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Line | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
| Total staff hours including contract nursing per diem | 5.20 | 5.50 | 5.40 | 5.00 | 5.40 | 5.10 | 5.00 | 5.00 | 4.90 | 5.50 | 5.30 | |
| Nursing hours including contract nurses per diem | 2.80 | 3.10 | 3.10 | 3.00 | 3.10 | 2.90 | 2.60 | 2.60 | 2.60 | 3.10 | 3.00 | |
| RN | 20.69 | 20.12 | 19.18 | 18.37 | 19.18 | 16.06 | 23.49 | 23.49 | 23.49 | 21.31 | 20.12 | 19.45 |
| LPN | 16.89 | 17.04 | 15.72 | 14.33 | 15.72 | 12.75 | 19.39 | 19.39 | 19.39 | 17.96 | 17.04 | 15.69 |
| CNA | 9.73 | 10.05 | 9.65 | 9.09 | 9.65 | 8.08 | 10.28 | 10.28 | 10.28 | 10.39 | 10.05 | 9.62 |
| DON | 26.38 | 24.75 | 22.98 | 22.48 | 22.98 | 20.02 | 31.78 | 31.78 | 31.78 | 28.56 | 24.75 | 23.68 |
| ADON | 23.27 | 21.44 | 20.51 | 18.93 | 20.51 | 17.26 | 26.34 | 26.34 | 26.34 | 24.33 | 21.44 | 21.27 |

2002 - Staffing and Occupancy Data

| State- Wide | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA | HSA |
|----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Line | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
| Average Occupancy | 80.90% | 79.60% | 81.90% | 80.30% | 81.90% | 75.30% | 82.20% | 82.20% | 82.20% | 82.00% | 79.60% | 76.60% |
| Medicaid Utilization | 64.50% | 55.50% | 56.10% | 58.50% | 56.10% | 63.30% | 69.90% | 69.90% | 69.90% | 66.70% | 55.50% | 60.90% |
| Medicare Utilization | 7.40% | 6.80% | 7.20% | 6.10% | 7.20% | 7.40% | 7.70% | 7.70% | 7.70% | 8.20% | 6.80% | 7.00% |